



Financial Summaries

Financial Summaries



INTRODUCTION

This Part of the *2003-2004 Biennial Budget* presents summaries of Operating, Capital, and Consolidated Plan components of the Biennial Budget on a fund-by-fund basis. It also includes Debt Service.

Financial summaries of the appropriated operating funds - for the General Fund and the Restricted Funds - are provided. Summaries of the Capital and Consolidated Plan Budgets are also provided. The effect on the Operating Budget by new and enhanced Capital projects is also described. Thus, this section shows the relationship between the Operating and Capital budgets.

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2003-2004 All Funds Operating Budget by Fund

The City of Cincinnati Operating Budget is developed by fund. Each fund is projected to be balanced to resources in the biennium. Significant changes in fund revenues, resources, expenditures, or balances in each fund are described in this section of the Operating Budget document. This section includes the following tables and narratives:

All Funds Operating Budget

The table titled "All Funds Operating Budget" on the next page lists the 2003-2004 expenditures budget by fund. It also provides the 2001 approved budget and the 2002 approved budget by fund. The "All Fund Operating Budget Summary" and the "General Fund Budget Summary" lists the percent changes in 2003-2004 operating expenditures. The "2003 and 2004 Operating Budget Summaries" lists the expenditures by fund group. The "All Funds Capital Budget Summary" and the "Consolidated Plan Budget Summary" lists the percent changes in 2003-2004 expenditures.

2003-2004 General Fund Resources and Expenditures

This section includes the General Fund Financial Summary table, 5-year trend chart, General Fund Six-Year Forecast, General Fund Biennial Budget highlights, and Revenue Estimates and their underlining assumptions.

2003-2004 Restricted Fund Resources and Expenditures

This section starts with an overview of the budget assumptions and categories found in the Appropriated Restricted Funds tables. Following the table are descriptions of each fund and a 5-year trend chart.

Non-appropriated fund expenditures are authorized in the ordinances that establish those funds. They are referred to as "non-appropriated" because the budgets are approved by City Council with the adoption of the recommended budget. Therefore, individual annual appropriation ordinances are not required. The non-appropriated category of operating funds is primarily comprised of grant funds such as the Health Department grants, Workplace Development Division grants, and Police Department asset forfeiture funds. A description is provided of the major changes expected in the non-appropriated restricted funds on page 181 of this document.

All Funds Operating Budget

Fund	2001 Approved	2002 Approved	2003 Approved	2004 Approved
050 General Fund	\$308,075,640	\$313,979,330	\$312,502,180	\$319,216,840
APPROPRIATED RESTRICTED FUNDS				
101 Water Works	\$82,165,670	\$85,764,430	\$92,612,190	\$96,020,420
102 Parking Facilities	6,526,020	6,568,300	7,851,650	7,936,730
103 Convention Center	5,424,320	5,401,490	4,890,790	4,961,500
104 General Aviation	1,386,380	1,410,340	1,453,830	1,477,350
105 Municipal Golf	6,176,520	6,327,510	6,492,310	6,480,100
107 Stormwater Management	6,023,700	6,301,150	7,219,230	7,238,670
151 Bond Retirement	51,842,360	59,740,130	65,917,000	60,520,000
301 Street Construction	8,033,440	8,352,200	7,905,110	7,888,940
302 Income Tax-Infrastructure	13,671,710	13,531,840	13,304,480	12,638,790
303 Parking Meter	731,240	769,870	2,360,620	1,317,570
304 Community Dev Block Grant	3,039,630	2,981,370	3,125,180	3,185,190
306 Motor Vehicle License Tax	2,849,860	2,823,910	2,969,900	2,650,620
318 Sawyer Point	1,128,920	1,135,610	1,177,360	1,180,500
323 Recreation Special Activities	2,956,350	3,149,830	3,249,780	3,252,410
395 Health Services	2,998,650	3,096,480	4,643,410	4,266,920
424 Cable Communications	1,713,830	1,590,070	1,620,720	1,663,790
701 Metropolitan Sewer District	122,631,370	131,074,960	129,459,680	134,933,870
759 Income Tax Transit	38,594,860	38,086,670	36,336,330	37,759,790
APPROPRIATED RESTRICTED FUNDS	\$357,894,830	\$378,106,160	\$392,589,570	\$395,373,160
NON-APPROPRIATED RESTRICTED FUNDS	\$22,300,070	\$19,736,350	\$19,716,700	\$20,009,510
RESTRICTED FUNDS TOTAL	\$380,194,900	\$397,842,510	\$412,306,270	\$415,382,670
GRAND TOTAL	\$688,270,540	\$711,821,840	\$724,808,450	\$734,599,510

All Funds Operating Budget Summary

Agency/Account	2001 Approved	2002 Approved	2003 Approved	Change 2002 to 2003	2004 Approved	Change 2003 to 2004
City Council	\$1,307,160	\$1,418,310	\$1,425,000	0.5%	\$1,438,590	1.0%
Office of the Mayor	188,170	462,490	442,990	-4.2%	446,000	0.7%
Clerk of Council	758,720	1,281,770	822,830	-35.8%	1,045,470	27.1%
City Manager	11,716,800	8,957,220	1,786,480	-80.1%	1,839,260	3.0%
Buildings & Inspections	5,659,310	5,489,630	5,295,590	-3.5%	5,455,980	3.0%
Citizens' Complaint Authority	538,670	578,020	560,210	-3.1%	583,730	4.2%
City Planning	1,537,250	1,492,320		-100.0%		
Community Develop. & Planning		9,376,170	16,973,550	81.0%	17,214,600	1.4%
Economic Development	2,694,590					
Enterprise Services			9,530,380		9,643,030	1.2%
Finance	10,843,010	10,763,450	10,273,030	-4.6%	10,600,810	3.2%
Fire	52,719,750	53,638,640	54,987,660	2.5%	56,501,970	2.8%
General Services	16,840,130	15,357,510		-100.0%		
Health	34,443,470	34,744,500	35,826,470	3.1%	35,699,730	-0.4%
Human Resources	2,410,880	2,351,110	2,129,100	-9.4%	2,191,560	2.9%
Law	4,642,130	5,184,790	4,917,180	-5.2%	5,027,450	2.2%
Neighborhood Services	7,779,950					
Parks	7,755,350	7,746,650	8,142,250	5.1%	8,131,010	-0.1%
Police	82,413,360	85,258,450	86,742,270	1.7%	89,118,620	2.7%
Public Services	35,229,780	34,627,830	35,231,460	1.7%	33,820,050	-4.0%
Recreation	24,050,780	24,491,200	24,917,360	1.7%	25,015,790	0.4%
Regional Computer Center	5,552,190	5,446,630	5,218,650	-4.2%	5,376,550	3.0%
Safety Director	633,800					
Sewers	78,674,220	82,977,580	83,393,650	0.5%	86,284,630	3.5%
SORTA	37,694,920	37,301,700	35,525,250	-4.8%	36,957,890	4.0%
Transportation and Eng.	4,938,530	6,898,730	9,581,960	38.9%	10,033,630	4.7%
Water Works	49,289,480	50,523,220	54,292,170	7.5%	55,914,530	3.0%
TOTAL ALL DEPARTMENTS	\$480,312,400	\$486,367,920	\$488,015,490	0.3%	\$498,340,880	2.1%
Cincinnati Public Schools	\$5,000,000	\$5,000,000	\$5,000,000	0.0%	\$5,000,000	0.0%
Cinti Human Relations Comm	444,480					
Citizens Committee on Youth	904,790					
Debt Service	121,185,900	133,672,220	141,752,240	6.0%	139,279,130	-1.7%
Employee Benefits & Pensions	69,836,390	66,636,180	74,488,390	11.8%	76,893,650	3.2%
General Fund Overhead	5,998,260	6,356,400	6,474,760	1.9%	6,464,760	-0.2%
Non-Departmental Accounts	3,238,320	12,939,120	8,577,570	-33.7%	8,621,090	0.5%
Reserve for Contingencies	1,350,000	850,000	500,000	-41.2%		-100.0%
TOTAL NON-DEPARTMENTAL	\$207,958,140	\$225,453,920	\$236,792,960	5.0%	\$236,258,630	-0.2%
GRAND TOTAL	\$688,270,540	\$711,821,840	\$724,808,450	1.8%	\$734,599,510	1.4%

General Fund Budget Summary

Agency/Account	2001 Approved	2002 Approved	2003 Approved	Change 2002 to 2003	2004 Approved	Change 2003 to 2004
City Council	\$1,307,160	\$1,418,310	\$1,425,000	0.5%	\$1,438,590	1.0%
Office of the Mayor	188,170	462,490	442,990	-4.2%	446,000	0.7%
Clerk of Council	758,720	1,281,770	822,830	-35.8%	1,045,470	27.1%
City Manager	4,040,340	4,579,750	1,454,900	-68.2%	1,496,690	2.9%
Buildings & Inspections	5,618,450	5,447,820	5,252,540	-3.6%	5,411,810	3.0%
Citizens' Complaint Authority	538,670	578,020	560,210	-3.1%	583,730	4.2%
City Planning	1,211,700	1,166,780		-100.0%		
Community Develop. & Planning		8,178,170	10,142,400	24.0%	10,363,720	2.2%
Economic Development	2,063,850					
Finance	8,903,720	8,697,360	8,225,290	-5.4%	8,529,390	3.7%
Fire	52,719,750	53,638,640	54,987,660	2.5%	56,501,970	2.8%
General Services	4,005,780	3,944,920		-100.0%		
Health	22,527,550	22,729,490	22,427,210	-1.3%	22,517,930	0.4%
Human Resources	2,261,690	2,198,550	1,975,780	-10.1%	2,030,430	2.8%
Law	4,215,860	4,754,940	4,474,010	-5.9%	4,574,170	2.2%
Neighborhood Services	7,133,030					
Parks	4,846,770	4,754,290	4,687,530	-1.4%	4,772,060	1.8%
Police	80,511,960	82,690,030	85,268,020	3.1%	87,637,320	2.8%
Public Services	21,028,510	21,497,470	20,273,690	-5.7%	20,215,290	-0.3%
Recreation	14,560,480	14,605,790	14,503,370	-0.7%	14,582,530	0.5%
Regional Computer Center	4,689,700	4,565,480	3,725,880	-18.4%	3,860,710	3.6%
Safety Director	633,800					
Transportation and Eng.	1,903,310	1,784,830	2,954,580	65.5%	3,069,450	3.9%
TOTAL ALL DEPARTMENTS	\$245,668,970	\$248,974,900	\$243,603,890	-2.2%	\$249,077,260	2.2%
Cincinnati Public Schools	\$5,000,000	\$5,000,000	\$5,000,000	0.0%	\$5,000,000	0.0%
Cinti Human Relations Comm	444,480					
Citizens' Committee on Youth	904,790					
Employee Benefits & Pensions	52,643,060	55,926,760	56,866,290	1.7%	58,607,580	3.1%
Non-Departmental Accounts	2,414,340	3,577,670	6,532,000	82.6%	6,532,000	0.0%
Reserve for Contingencies	1,000,000	500,000	500,000	0.0%		-100.0%
TOTAL NON-DEPARTMENTAL	\$62,406,670	\$65,004,430	\$68,898,290	6.0%	\$70,139,580	1.8%
GRAND TOTAL	\$308,075,640	\$313,979,330	\$312,502,180	-0.5%	\$319,216,840	2.1%

2003 All Funds Operating Budget Summary

Agency/Account	General Fund	Restricted Funds	Non-Appropriated Funds	CDBG Funds	Total Operating
City Council	\$1,425,000				\$1,425,000
Office of the Mayor	442,990				442,990
Clerk of Council	822,830				822,830
City Manager	1,454,900	\$331,580			1,786,480
Buildings & Inspections	5,252,540	43,050			5,295,590
Citizens' Complaint Authority	560,210				560,210
Community Develop. & Planning	10,142,400	212,560	\$5,087,500	\$1,531,090	16,973,550
Enterprise Services		9,530,380			9,530,380
Finance	8,225,290	1,596,460		451,280	10,273,030
Fire	54,987,660				54,987,660
Health	22,427,210	4,315,740	9,083,520		35,826,470
Human Resources	1,975,780	153,320			2,129,100
Law	4,474,010	175,830		267,340	4,917,180
Parks	4,687,530	1,425,370	2,029,350		8,142,250
Police	85,268,020	271,170	1,203,080		86,742,270
Public Services	20,273,690	14,748,730	209,040		35,231,460
Recreation	14,503,370	10,381,510	32,480		24,917,360
Regional Computer Center	3,725,880	1,492,770			5,218,650
Sewers		83,393,650			83,393,650
SORTA		35,525,250			35,525,250
Transportation and Eng.	2,954,580	6,230,800	396,580		9,581,960
Water Works		54,292,170			54,292,170
TOTAL ALL DEPARTMENTS	\$243,603,890	\$224,120,340	\$18,041,550	\$2,249,710	\$488,015,490
Cincinnati Public Schools	\$5,000,000				\$5,000,000
Debt Service		\$141,752,240			141,752,240
Employee Benefits & Pensions	56,866,290	17,279,860		\$342,240	74,488,390
General Fund Overhead		6,311,950	\$162,810		6,474,760
Non-Departmental Accounts	6,532,000		1,512,340	533,230	8,577,570
Reserve for Contingencies	500,000				500,000
TOTAL NON-DEPARTMENTAL	\$68,898,290	\$165,344,050	\$1,675,150	\$875,470	\$236,792,960
GRAND TOTAL	\$312,502,180	\$389,464,390	\$19,716,700	\$3,125,180	\$724,808,450

2004 All Funds Operating Budget Summary

Agency/Account	General Fund	Restricted Funds	Non-Appropriated Funds	CDBG Funds	Total Operating
City Council	\$1,438,590				\$1,438,590
Office of the Mayor	446,000				446,000
Clerk of Council	1,045,470				1,045,470
City Manager	1,496,690	\$342,570			1,839,260
Buildings & Inspections	5,411,810	44,170			5,455,980
Citizens' Complaint Authority	583,730				583,730
Community Develop. & Planning	10,363,720	215,200	\$5,102,680	\$1,533,000	17,214,600
Enterprise Services		9,643,030			9,643,030
Finance	8,529,390	1,617,770		453,650	10,600,810
Fire	56,501,970				56,501,970
Health	22,517,930	3,932,730	9,249,070		35,699,730
Human Resources	2,030,430	161,130			2,191,560
Law	4,574,170	184,440		268,840	5,027,450
Parks	4,772,060	1,218,590	2,140,360		8,131,010
Police	87,637,320	278,220	1,203,080		89,118,620
Public Services	20,215,290	13,395,730	209,030		33,820,050
Recreation	14,582,530	10,400,780	32,480		25,015,790
Regional Computer Center	3,860,710	1,515,840			5,376,550
Sewers		86,284,630			86,284,630
SORTA		36,957,890			36,957,890
Transportation and Eng.	3,069,450	6,566,520	397,660		10,033,630
Water Works		55,914,530			55,914,530
TOTAL ALL DEPARTMENTS	\$249,077,260	\$228,673,770	\$18,334,360	\$2,255,490	\$498,340,880
Cincinnati Public Schools	\$5,000,000				\$5,000,000
Debt Service		\$139,279,130			139,279,130
Employee Benefits & Pensions	58,607,580	17,933,120		\$352,950	76,893,650
General Fund Overhead		6,301,950	\$162,810		6,464,760
Non-Departmental Accounts	6,532,000		1,512,340	576,750	8,621,090
Reserve for Contingencies					
TOTAL NON-DEPARTMENTAL	\$70,139,580	\$163,514,200	\$1,675,150	\$929,700	\$236,258,630
GRAND TOTAL	\$319,216,840	\$392,187,970	\$20,009,510	\$3,185,190	\$734,599,510

All Funds Capital Budget Summary

Department	2001 Appropriated	2002 Appropriated	2003 Approved	Change 2002 to 2003	2004 Approved	Change 2003 to 2004
Buildings & Inspections	\$57,000	\$133,000	\$58,000	-56.4%	\$83,000	43.1%
City Manager	455,000	330,000				
City Planning	90,000					
Community Dev. & Planning			35,549,040		30,948,140	-12.9%
Economic Development	11,893,000	1,444,100				
Enterprise Services			7,104,800		17,579,100	147.4%
Finance	125,000	3,898,700	967,100	-75.2%	1,154,600	19.4%
Fire	299,500		1,145,000			
General Services	14,506,500	37,831,400				
Health	575,000	685,000	565,000	-17.5%	721,000	27.6%
Human Resources		375,000	375,000			
Neighborhood Services	6,104,280	27,307,376				
Parks	3,575,000	3,192,000	3,588,000	12.4%	3,398,500	-5.3%
Police	10,958,000	460,600	2,690,000	484.0%	916,000	-65.9%
Public Services	2,457,800	2,189,900	5,550,000	153.4%	5,600,000	0.9%
Recreation	3,777,000	3,750,000	4,810,000	28.3%	16,003,400	232.7%
Regional Computer Center			10,283,700		4,489,800	-56.3%
Sewers	60,798,400	70,883,100	65,602,800	-7.4%	67,937,700	3.6%
Transportation & Engineering	44,701,200	44,359,100	47,261,200	6.5%	37,903,400	-19.8%
Water Works	63,630,000	62,356,000	66,743,300	7.0%	64,292,500	-3.7%
TOTAL ALL DEPARTMENTS	\$224,002,680	\$259,195,276	\$252,292,940	-2.7%	\$251,027,140	-0.5%

Consolidated Plan Budget Summary

Agency/Account	2001 Budget	2002 Budget	2003 Approved	Change 2002 to 2003	2004 Approved	Change 2003 to 2004
Buildings & Inspections	\$741,000	\$727,500	\$908,280	24.8%	\$914,970	0.7%
City Manager/Employment & Training	1,055,770	2,153,540	0	-100.0%		0.0%
Community Development & Planning	21,856,420	19,687,846	21,998,820	11.7%	20,629,360	-6.2%
Finance			50,000	100.0%	50,000	0.0%
Health		400,000	425,000	6.3%	225,000	-47.1%
Law	194,240	190,290	185,200	-2.7%	187,000	1.0%
Parks		175,000	175,000	0.0%	175,000	0.0%
Police			100,000	100.0%	100,000	0.0%
TOTAL DEPARTMENT PROJECTS	\$23,847,430	\$23,334,176	\$23,842,300	2.2%	\$22,281,330	-6.5%
General Administration & Planning	\$3,039,630	\$2,981,370	\$3,125,180	4.8%	\$3,174,470	1.6%
Section 108 Debt Service	1,340,300	431,500	1,000,000	131.7%	957,200	-4.3%
GRAND TOTAL	\$28,227,360	\$26,747,046	\$27,967,480	4.6%	\$26,413,000	-5.6%



2003-2004 General Fund Resources and Expenditures

General Fund Six-Year Financial Forecast

The 2003-2004 Biennial Budget for the General Fund is approved in the context of a six-year financial forecast of resources and expenditures. The forecast was developed with the assistance of Standard & Poor's/DRI, the City's economic and financial forecasting consultant for the past eight years. The forecast, as explained in this section, is based on information obtained during the collection of 2002 actual revenue. A full discussion of revenue components is provided in the next section.

The Standard & Poor's/DRI forecast includes a scenario of a weak economy continuing through 2002 followed by a slow economic expansion beginning in 2003. That recession has caused the slowing of income tax revenues in 2002 and a small increase in 2003 is expected. This economic forecast drives the projections of major revenue sources (income tax and property tax) of the City and of expenditure growth based on inflation trends.

SIX-YEAR GENERAL FUND FORECAST (in \$000s)

	2003	2004	2005	2006	2007	2008
	Budget		Forecast		Forecast	
Revenue	\$307,615	\$315,522	\$325,477	\$339,544	\$351,879	\$363,520
Prior Year Carryover	6,556	4,692	4,079	4,854	9,593	17,479
Resources	\$314,171	\$320,214	\$329,556	\$344,398	\$361,472	\$380,999
Operating Expenditures	\$312,502	\$319,217	\$329,464	\$339,710	\$349,045	\$358,446
Total Expenditures	\$312,502	\$319,217	\$329,464	\$339,710	\$349,045	\$358,446
Operating Surplus	\$1,669	\$ 997	\$92	\$4,688	\$12,427	\$22,553
Expenditure Savings/ Cancelled Encumbrances	\$3,023	\$3,082	\$4,762	\$4,905	\$5,052	\$5,204
Carryover	\$4,692	\$4,079	\$4,854	\$9,593	\$17,479	\$27,757

Cautions for the Six-Year Financial Forecast

The Six-Year General Fund Forecast shows that both years of the biennium are balanced, albeit precariously. In 2003 and 2004 estimated expenditures exceed revenue. It is noteworthy that the 2003 budget is balanced only through the use of prior year carryover and the 2004 budget is balanced only by achieving additional savings in 2003. The Operating Surplus in 2003 is only \$1.7 million and the Operating Surplus in 2004 is only \$1.0 million. In 2003 and 2004 the challenge is to save at least approximately \$3.0 million and \$3.1 million, respectively.

In addition to the need for more savings to balance the budget, the City's General Fund reserve amount is low in comparison to the generally accepted public finance standard. A Government Finance Officers Association recommended standard is no less than 5.0% to 15.0% of General Fund revenue. The carryover amounts of \$4.7 million in 2003 and \$4.1 million in 2004, plus the estimated balance in the City's reserve, places the City below the mid-point of the recommended standard at approximately 8%. The City's current financial condition does not permit transfers from the General Fund to support one-time capital projects as has been done in the past unless drastic reductions are made in the General Fund operating budget or revenue far exceeds the estimates in 2003 and 2004.



General Fund Expenditure Highlights in the Biennial Budget

The General Fund expenditure budget for 2003 is \$312.5 million, a 0.5% decrease from the 2002 budget of \$314.0 million. The 2004 expenditure budget of \$319.2 million is a 2.1% increase over 2003 - see the General Fund Budget Summary on page 164. The Departmental Budgets section of this document provides a detailed description of the budget and Full-time Equivalent (FTE) changes from 2002, and the following provides an overview of some of the more significant changes for 2003-2004.

The 2003 General Fund Budget is based on a 3% increase in personnel costs and a 2.9% increase in non-personnel costs. For 2004, the general personnel increase is 2.6% and there is no increase in non-personnel costs.

The most significant General Fund budget impact is the reduction of 174.2 non-sworn FTE over the biennium. This is expected to save over \$6 million per year. Other significant changes are as follows:

Basic Services Focus

Basic City services are the focus of this budget. Citizens can be assured that safe and clean neighborhoods are a priority. Some of the continued and enhanced basic services included in the budget are as follows:

1. An additional 15 police officers will be added in 2005. Forty-five police officers will be added in 2003 and 15 more will be added in 2004. Total sworn strength will be 1,060 in 2004. In addition, the Police Department received a grant of approximately \$275,000 for police visibility overtime that will augment the \$500,000 already in the budget for this purpose;
2. Additional funding are in the budget for a Fire Lieutenant to serve as the City's Weapons of Mass Destruction Coordinator and the Fire Department will continue its efforts to secure funds for enhanced City security;
3. Weekly solid waste collection is funded at a continuation level in the biennium (see number 4 in the next section). Approximately \$220,000 is included for an enhanced litter pick-up program at 40 major intersections in the City. In addition to the basic level of service, these intersections will have litter pick-up an additional two times per month;
4. The City's Health Clinics and other primary health care programs are fully funded;
5. All parks and recreation facilities will remain open and operating at continuation levels;
6. Building code enforcement will continue and is enhanced through an additional \$100,000 in Community Development Block Grant funding. The Housing Court that will make building code violators more accountable will be operational in the biennium;
7. The Human Services Policy and the Arts Policy will be maintained in the biennium with human services receiving 1.5% of General Fund resources and the arts programs receiving 0.14% of General Fund resources; and,



8. The commitment of \$5 million for 20 years to the Cincinnati Public Schools (CPS) for facility improvements will continue in the biennium. We will continue to work with CPS to align our budgeted capital improvements with the CPS facilities plan where possible.

Organizational Changes and Budget Reductions

The most significant organizational changes and budget reductions include the following:

1. Transfer of the Street Sweeping program to the Stormwater Management Fund and implementation of managed competition for this function. Street sweeping reduces the debris which would otherwise enter the stormwater system. The transfer results in approximately a \$1.1 million savings in the General Fund;
2. The Health Department transferred 19.5 FTE and some primary health functions to the Health Services Fund. The savings to the General Fund is approximately \$1.5 million;
3. Elimination of the City Planning Department and programs that are not required by law. Mandatory zoning functions (Land Use Management) and Historic Conservation programs are administered by the Community Development and Planning Department. Community plans are no longer routinely funded. Approximately \$704,320 is saved in the General Fund and 8.5 FTE are eliminated;
4. Suspension of the Yard Waste and Recycling programs for 2004 unless new resources are identified. These items would be collected in the regular trash pick-ups. For 2003, the Yard Waste and Recycling programs are funded from one-time resources. Approximately \$2 million is saved in the General Fund;
5. Elimination of the Office of Environmental Management. The Employee Safety program and the remaining environmental compliance/planning, including brownfields, are transferred to the Finance Department (Risk Management Division), and the air quality program is eliminated with the air monitoring function continuing as a countywide function. Title X of the municipal code will need to be changed. Approximately \$294,000 is saved in the General Fund and 4.0 FTE are eliminated;
6. Elimination of the Office of Contract Compliance and Administrative Hearings. The Contract Compliance program is transferred to the Community Development and Planning Department, the Equal Employment Opportunity program is transferred to the Human Resources Department, and the Administrative Hearings program is transferred to the Law Department. Approximately \$398,500 is saved in the General Fund and 5.0 FTE are eliminated;
7. The transfer of the Internal Audit function to the Finance Department. Approximately \$75,400 is saved in the General Fund and 1.0 FTE is eliminated;
8. The General Services Department is eliminated. The divisions including the Convention Center, Fleet Services, and the Parking System are managed by an Assistant City Manager. The Regional Computer Center becomes a department and the City Facilities division is transferred to the Public Services Department;



9. The Employment and Training function is transferred to the Community Development and Planning Department and renamed the Workforce Development Division. Approximately \$10,350 is saved;
10. Public information functions in all departments are eliminated and the function centralized in the City Manager's Office. Approximately \$350,000 is saved in the General Fund and 5.0 FTE are eliminated;
11. Beginning in 2004, the Nature Education Program in the Parks Department is eliminated unless new funding sources are identified;
12. Beginning in 2004, the Health Education Program in the Health Department is eliminated unless new funding sources are identified;
13. Citywide, salary increases above 3.0%, longevity pay, and tuition reimbursement are suspended for non-represented employees (including executive staff) in 2003 to balance the budget. Approximately \$712,000 is saved in the General Fund;
14. Training and non-local travel budgets are reduced in the General Fund for a savings of approximately \$600,200 in both years of the biennium; and,
15. The City will continue to pursue managed competition opportunities; a managed competition report with recommendations is included in an appendix of this document.

Employee Benefits and Pensions. The Employee Benefits and Pensions budget for all General Fund employees is \$56.9 million for 2003, which is an increase of 1.7% over the 2002 budget. For 2004, employee benefit and pension costs are budgeted at \$58.6 million with no increase, except for health care which increases by approximately 8.0%. The overall increase from 2003 to 2004 is 3.0%. In 2003-2004, employee benefits are budgeted at approximately 23.0% of payroll. The City Retirement System contribution is 7.0% of payroll. Firefighters and police officers are not in the City pension system because they are required by state law to be in the State's Police and Firemen's Disability and Pension Fund. The employer contribution rate for firefighters is 27.0% of salary and for police officers is 22.0% of salary.

Employee health care insurance, which is the second largest benefit cost after pensions, is budgeted to increase by approximately 10.0% in 2003 and 8.0% in 2004 and is approximately 9.0% of payroll. Employees will be asked to absorb more of the health care cost increase in the future. Workers' Compensation costs are not in the budget for 2003 or 2004. Due to the City's excellent experience factors, the fund balance can absorb the costs in the next biennium.

General Fund Reserve for Contingencies. The Reserve for Contingencies budget is \$500,000 in 2003 and no reserve is budgeted in 2004. The 2003 amount is earmarked for street snow and ice control if the weather is more severe than normal. Any reserve in 2004 will have to result from further budget reductions or unanticipated revenue growth.

Non-Departmental Accounts. The most significant change is the addition of \$2.5 million in each year for implementation of the Police Collaborative and Department of Justice agreements.



General Fund Staffing

The General Fund staffing plan reduces the number of full-time equivalent (FTE) positions by 115.0 in 2003 and increases by 0.8 FTE in 2004. The non-sworn reduction in 2003 is 160.0 FTE and for 2004 is 14.2 FTE. Of the General Fund non-sworn eliminated positions, 39.5 FTE are filled, 70.2 FTE are vacant, and the remaining net positions are transferred to other funds. In addition, there are 8.0 filled positions eliminated and 43.0 vacant positions eliminated in Restricted Funds. The staffing changes by department are explained in the Departmental Information section beginning on page 249.

2003-2004 General Fund Staffing Plan

	2002 Approved Budget	2003 Approved Budget	Change From 2002	2004 Approved Budget	Change From 2003
Police Sworn	1,000.0	1,045.0	45.0	1,060.0	15.0
Fire Sworn	787.0	787.0	0.0	787.0	0.0
Non-Sworn	<u>2,156.7</u>	<u>1,996.7</u>	<u>(160.0)</u>	<u>1,982.5</u>	<u>(14.2)</u>
Total General Fund	3,943.7	3,828.7	(115.0)	3,829.5	0.8

Police Sworn Positions. The 2003-2004 General Fund Biennial Budget includes two Police recruit classes each year. This will result in recruit graduates over the biennium (63 each year) to allow an average sworn strength of 1,028 in 2003 and 1,042 in 2004. The *authorized strength* is a fixed number of sworn police personnel as established by the City Council. The City Council has set the authorized strength at 1,045 for 2003 and 1,060 for 2004. The actual Police staffing may vary from those numbers as a result of the number of graduating Police Recruits and the number of police personnel who separate from service. The *average sworn strength* is the mathematical average of the number of sworn police personnel for a given year. The following chart shows the authorized and average sworn strength, including the average of the three summer months when more police officers are needed due to increased calls for service.



Police Department Sworn Staffing

	2002 Approved Budget	2002 Projected	2003 Approved Budget	2004 Approved Budget
Authorized Strength	1,000	1,000	1,045	1,060
Average Sworn Strength	1,003	997	1,028	1,042
Summer Sworn Strength	1,016	998	1,035	1,054

Fire Department Sworn Positions. The 2003-2004 General Fund Biennial Budget includes no Fire recruit class in 2003 and one Fire recruit class in 2004. The Fire budget will allow for an average sworn strength of 799 in 2003 and the Fire Recruit class of 23 graduates in 2004 will allow for an average sworn strength of 795 in 2004. The *authorized strength* is a fixed number of sworn fire personnel as established by the City Council. The City Council has set the authorized strength at 787 for 2003 and 787 for 2004. The actual Fire staffing may vary from those numbers as a result of the number of graduating Fire Recruits and the number of fire personnel who separate from service. The *average sworn strength* is the mathematical average of the number of sworn fire personnel for a given year. The following chart shows the authorized and average sworn strength.

Fire Department Sworn Staffing

	2002 Approved Budget	2002 Projected	2003 Approved Budget	2004 Approved Budget
Authorized Strength	787	787	787	787
Average Sworn Strength	795	810	799	795

Financial Summaries



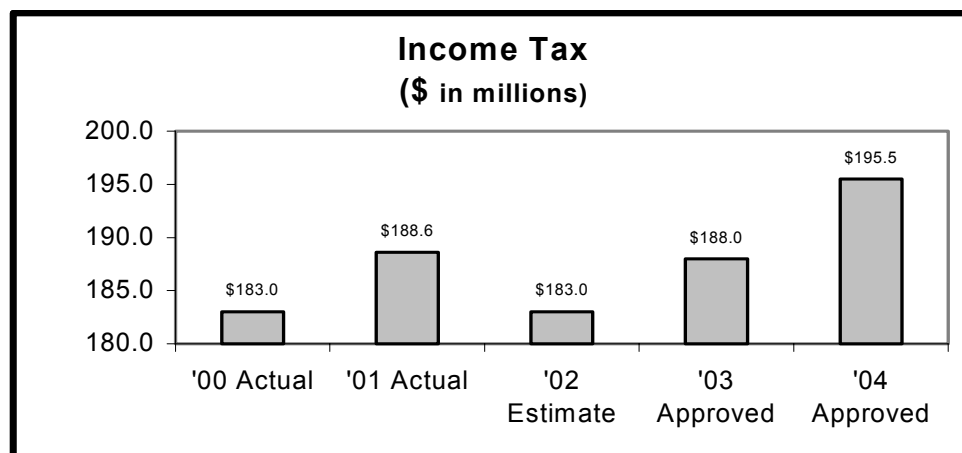
General Fund Revenue Estimates in the 2003-2004 Biennial Budget

The General Fund revenue estimate for 2003, in the table below, is \$307.6 million, a 1.5% increase over the estimated 2002 revenue of \$303.0 million. The 2004 revenue estimate of \$315.5 million is a 2.6% increase over 2003. The four major General Fund revenue components are City Income Tax, Property Tax, State Shared Taxes (Estate Tax and Local Government Fund), and Investments, all of which together comprise nearly 90% of City revenues.

2003-2004 General Fund Revenue Estimates (in \$000's)

Category	2001 Actual	2002 Estimate	2003 Budget	% change	2004 Budget	% change
City Income Tax	\$188,598	\$182,950	\$187,993	2.8%	\$195,490	4%
Property Tax	28,971	28,313	30,129	6.4%	31,001	2.9%
State Shared Taxes	51,544	50,707	50,817	0.2%	50,610	-0.4%
Investments	12,976	11,430	7,800	-31.8%	8,000	2.6%
Other Revenues	<u>28,407</u>	<u>29,632</u>	<u>30,876</u>	4.2%	<u>30,421</u>	-1.5%
Total Revenues	\$310,496	\$303,032	\$307,615	1.5%	\$315,522	2.6%

City Income Tax. Income taxes are the largest single source of General Fund revenue accounting for 61.1 % of those revenues in 2003. Income Tax revenue is estimated to increase by 2.8% in 2003 over the 2002 estimate, and by 4.0% in 2004 over the 2003 estimate. The 2004 estimate is based on the Standard & Poor's DRI revised forecast using their model of the Cincinnati economy. It also includes the taxation of visiting athletes and entertainers.



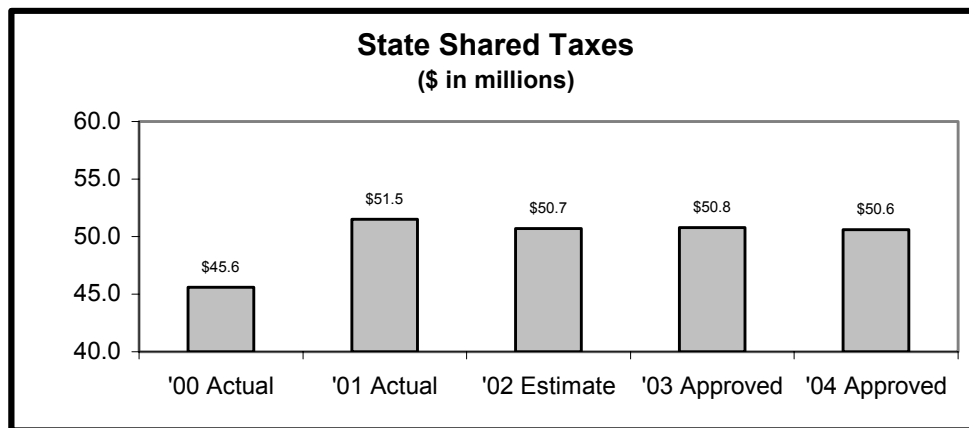
Financial Summaries



The General Fund receives 1.55% of the 2.1% locally levied tax applied to gross salaries, wages, and other personal service compensation earned by residents of the City and to earnings of non-residents earned in the City. It also applies to net income of business organizations for business conducted in the City.

State Shared Revenues. State Shared Revenues are the second largest source of revenue to the General Fund, accounting for 16.5% of General Fund revenues. This revenue accounts for 6.3% of the General Fund. There are two major sources of these revenues: the Local Government Fund and the Estate Tax. The forecasted 2003 revenues for the Estate Tax have been reduced by \$1.0 million to \$19.3 million due to the high volatile nature of this revenue. The tax is estimated to decline 4.1% in 2004 as the value of investments in estates declines given the recent performance of the stock market.

The second source of state shared revenues is the Local Government Fund. The Local Government Fund revenues consist of portions of the State income, sales and use, public utility, and corporate franchise taxes allocated to a fund for distribution to local governments. Revenues grow based on growth in the state revenue sources. The entire State of Ohio absorbed a major cut in the Fund's allocation as the economic recession has hurt the State's revenue components. Under current legislation the City can expect no improvement in Local Government Fund revenues until after July 2003. The House is recommending a freeze at the current funding level which will go to the Senate and Governor for final approval.



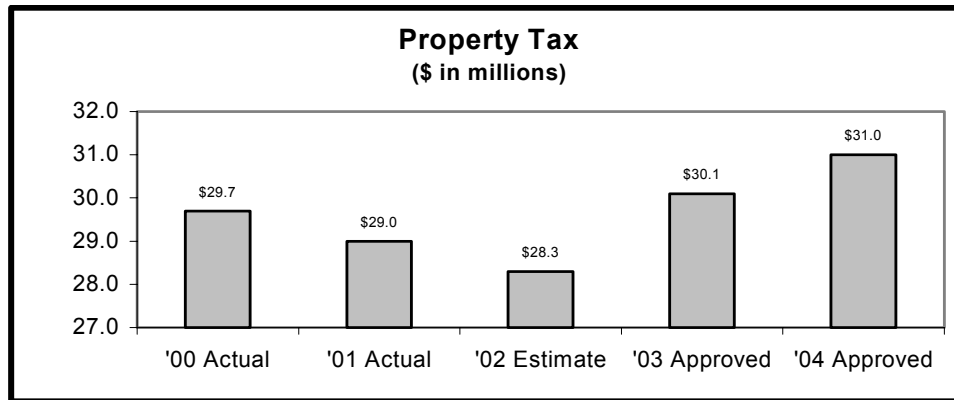
Property Taxes. Property taxes account for 9.8% of General Fund revenues. The City Council established a 5.27 mills property tax rate which will generate \$30.1 million in 2003, representing a 6.4% increase over the 2002 estimate of \$28.3 million. The 2004 revenue is estimated at \$31.0 million.

The City's property taxes total 10.63 mills per \$1,000 of assessed value and are subdivided into two components: 5.27 mills for General Fund operating purposes, and 5.36 for Debt requirements of the Capital Improvement Program. Property taxes are levied on real property, public utilities property, and tangible property (equipment and inventory of business). The real property consists of residential, commercial, and industrial property.

Financial Summaries



Traditionally, property tax revenue fluctuates due to the statutorily required sexennial reappraisal and the intervening third year review and appeals which are granted to taxpayers. The City Charter authorizes a property tax levy of up to 6.1 mills for current operating purposes. The City Council sets that rate annually in the Fall.



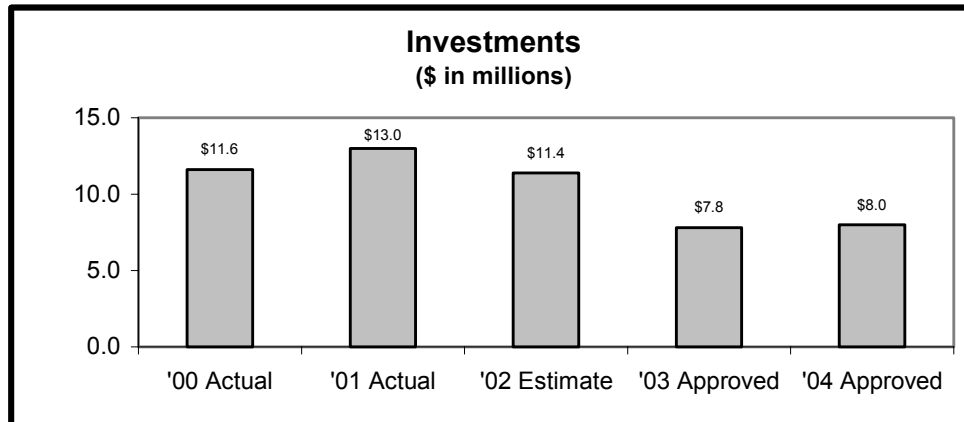
In addition, property taxes from public utility property are expected to be reduced because the taxable value of new public utility property is at a lower assessed value (25.0%) than that of existing utility property (88.0%) due to a 1993 change in State law. The portion of the property taxes from Tangible Personal Property will also be reduced over the next 25 years. Currently that property is valued at 25.0% of real value. The rate at which the inventory portion of this tax base is valued will decline by one percentage point each year for 25 years starting in 2003 until there is no personal property tax.

Collection Year	Assessed Valuation	County Levy	School Levy	City Levy	Total Levy	EFFECTIVE RATES		DEBT SERVICE INCLUDED IN	
						Res./ Agr.	Com./ Ind.	City Levy	Total Levy
1998	\$4,802,392,920	\$19.01	\$53.13	\$11.46	\$83.60	\$61.40	\$66.38	\$5.36	\$5.71
1999	4,813,566,540	19.54	53.13	11.46	84.13	62.02	67.08	5.36	5.71
2000	5,437,964,150	20.83	51.94	10.90	83.67	56.98	63.10	5.36	5.71
2001	5,428,707,380	19.92	56.93	10.76	87.61	61.15	67.53	5.36	5.67
2002	5,328,729,320	21.47	57.15	10.76	89.38	62.83	69.32	5.36	5.66
2003	5,836,090,190	21.87	56.25	10.63	88.75	58.94	66.70	5.36	5.65

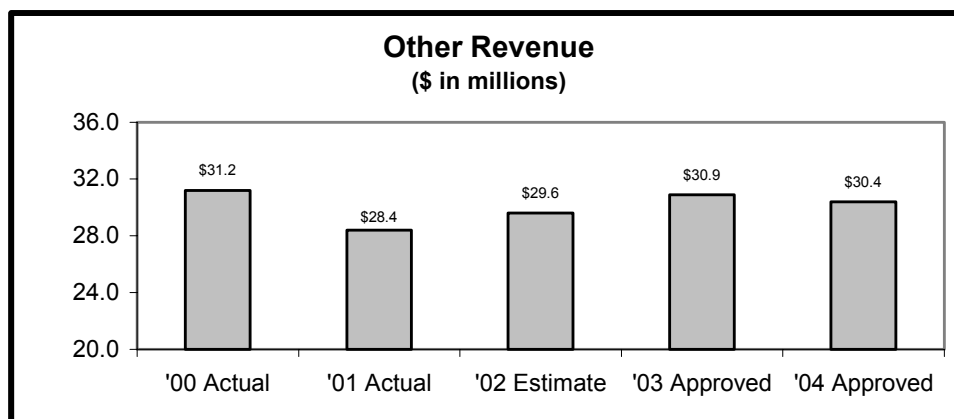
Financial Summaries



Investments. Investment earnings account for 2.5% of General Fund revenues. Investment earnings are anticipated to decrease by 31.8% in 2003 and increase 2.6% in 2004 because of investments made during the past year, a period of historically low interest rates. Available overnight interest rates are at a forty-one year low. The \$11.4 million estimated return on investment in 2002 includes the use of the \$55.0 million of Anthem Demutualization proceeds. Many of these funds will support one-time capital projects in 2003-2004 and may not be available for investment earnings.



Other Revenues. This category, which includes charges for services, admissions taxes, licenses and permits, parking and traffic fines and miscellaneous revenues, accounts for 10.0% of General Fund revenues. These revenues are estimated to increase in 2003 by 4.2% and decrease in 2004 by 1.5%. Historically, these various revenues have grown slowly. The 2000 revenue included reimbursements from FEMA due to flooding which occurred in the area and were not reoccurring.





GENERAL FUND 050

(In \$000s)	2002 Budget	2002 Estimated Actual	2003 Budget	2004 Budget
General - Fund 050				
Revenue	\$308,979	\$303,032	\$307,615	\$315,522
Prior Year Carryover	<u>9,385</u>	<u>13,376</u>	<u>6,556</u>	<u>4,692</u>
Resources	\$318,364	\$316,408	\$314,171	\$320,214
Operating Expenditures	\$313,979	\$312,876	\$312,502	\$319,217
Capital Transfers (In)/Out	\$6,967	(\$548)	0	0
Estimated Cancelled Encumbrances/Savings	<u>(\$4,648)</u>	<u>(\$2,477)</u>	<u>(\$3,023)</u>	<u>(\$3,082)</u>
Net Expenditures and Transfers	\$316,298	\$309,851	\$309,479	\$316,135
Fund Balance	\$2,066	\$6,556	\$4,692	\$4,079

Description

General Fund 050 can be used for any general municipal purpose. This is the primary fund in the City operating budget and is used to deliver the basic municipal services such as police and fire protection, park maintenance, street repair, trash collection, and the operation of recreation centers and health clinics. The three major revenue components are City Income Tax, Intergovernmental Revenue, and Property Taxes.

Major Services

- Public Services
- Health
- General Services
- Finance
- Community Development
- Buildings and Inspections
- Fire
- Parks
- Recreation
- Law
- Police

Revenues

The General Fund revenue estimates are \$307,615,000 for 2003 which is a 0.6% increase over 2002 estimated actual and \$315,522,000 for 2004 which is a 2.6% increase over 2003. These estimates are based on the Standard & Poor's/DRI forecast and historical data as well as a modest growth in the local economy. (See General Fund Revenue Estimates on page 175).

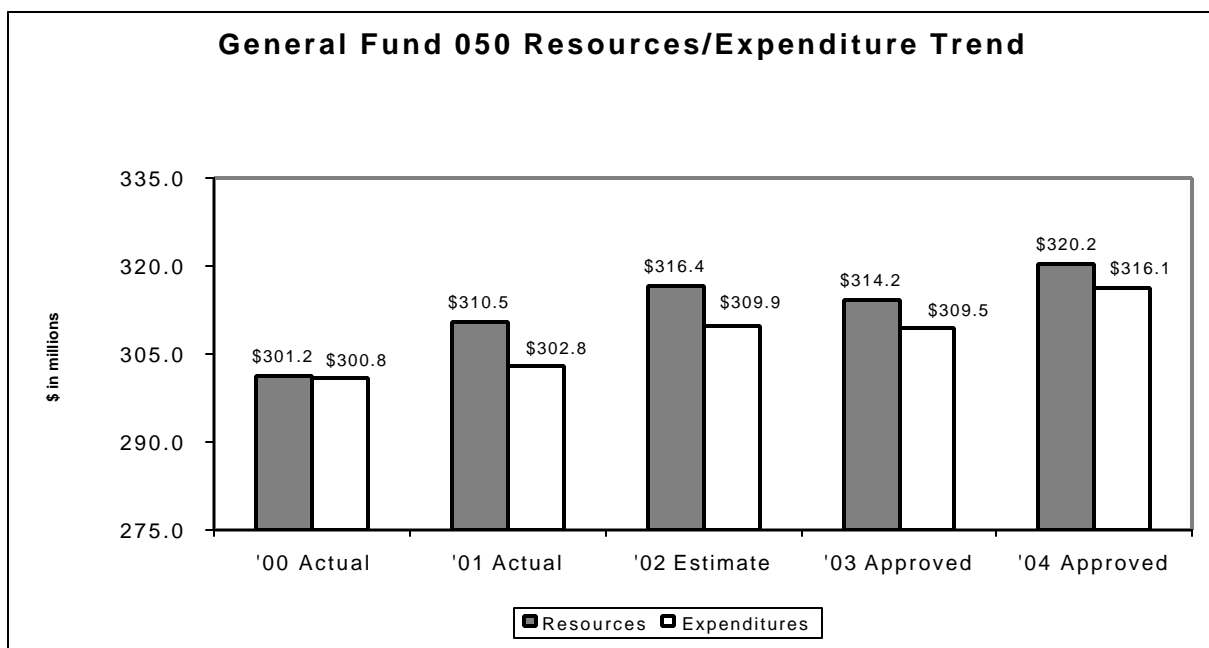
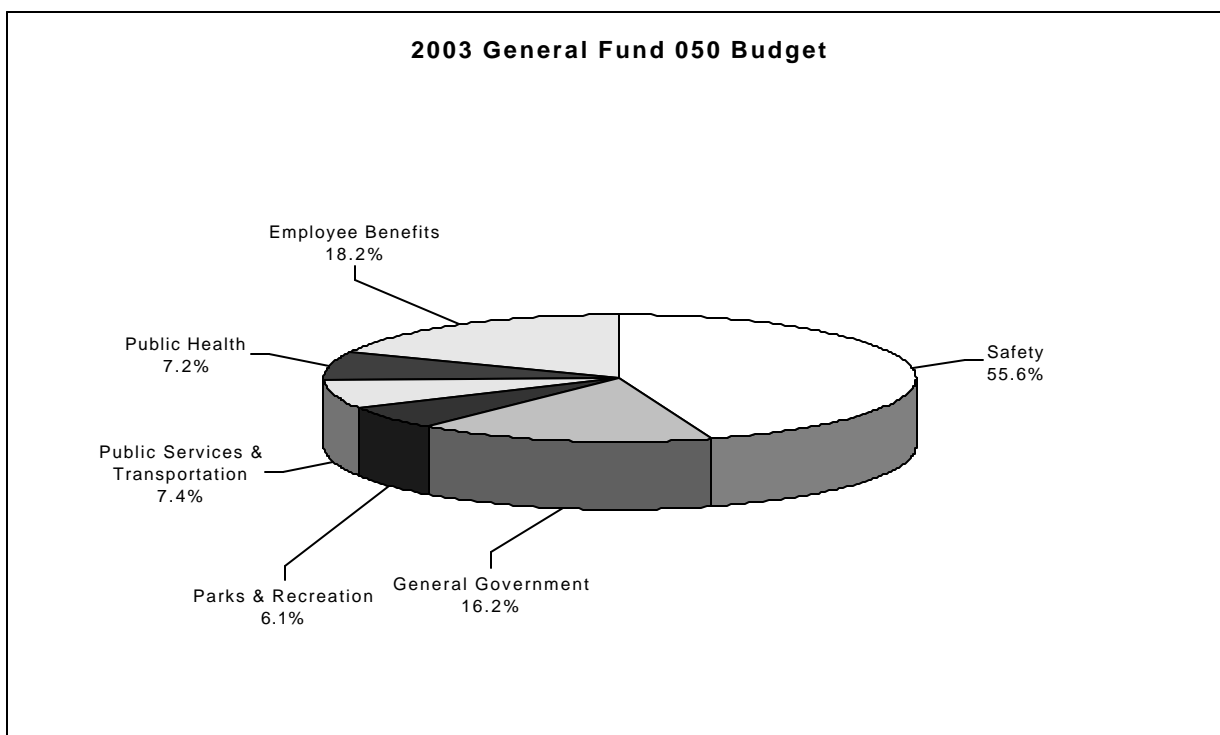
Expenditures

The total 2003 operating budget for the General Fund of \$312,502,180 is a 0.5% decrease from the 2002 budget of \$313,979,330. The 2004 operating budget of \$319,216,840 is an increase of 2.1% over 2003. After considering the budgeted wage and inflation increases, the budget decrease in 2003 is primarily due to a variety of departmental service changes which are explained in detail in the Departmental Budgets section of this document. The budget change in 2004 is primarily due to inflationary increases. It should be noted that the General Fund resources and expenditures are balanced in the biennium only through the use of prior year carryover resources and anticipated expenditure savings and cancelled encumbrances.

There are no cash transfers from the General Fund during the 2003-2004 biennium for capital reinvestments in neighborhoods, debt service, and other General Capital projects. Additional funding for neighborhood capital projects will come from \$53.0 million of Anthem demutualization proceeds included in the General Capital Budget and \$30.0 million in the form of Float Loans and HUD 108 Loans included in the Consolidated Plan Budget. Another \$2.0 million of the Anthem demutualization proceeds is included in the Operating Budget for safety initiatives.



FUND 050 BUDGET AND TREND CHART





2003-2004 Restricted Funds Resources and Expenditures

The 2003 operating expenditures for the Restricted Funds total \$412.3 million, which is an increase of 3.6% over the 2002 Restricted Funds budget. The recommended 2004 operating expenditures total \$415.4 million, which is an increase of 0.7% over the 2003 Restricted Funds budget amount (See All Funds Operating Budget on page 162).

As with the General Fund, the Restricted Funds amounts increase primarily by inflation net of adjustments for reductions to management compensation. However, federal mandates, new grants, as well as other exigencies, may result in some funds having increases over expected inflationary amounts. The increases beyond inflation are discussed in the individual fund sections that follow.

Appropriated Restricted Fund Revenue Estimates and Expenditures for 2003-2004

While all of the Appropriated Restricted Funds are balanced, several of the Appropriated Restricted Funds, for one or both years of the biennial, have estimated fund balances less than 2 months of estimated expenditures, which is a generally accepted public financial standard. These include: Municipal Golf Fund 105, Stormwater Management Fund 107, Street Construction, Maintenance, and Repair Fund 301, Income Tax Infrastructure Fund 302, Motor Vehicle License Tax Fund 306, Sawyer Point Fund 318, Recreation Special Activities Fund 323, Health Services Fund 395, and the Income Tax Transit Fund 759. These funds will be monitored closely and expenditure reductions may be required for the 2004 budget update.

There are some noteworthy changes in the revenue estimates and budget expenditures for 2003 and 2004 compared to the 2002 budget. Descriptions of the Appropriated Restricted Fund changes for the 2003-2004 biennium follow in the Restricted Funds Resources and Expenditures section of this document.

Non-Appropriated Restricted Fund Expenditures for 2003-2004

At the bottom of the "All Funds Operating Budget" table on page 162 is a total for non-appropriated Restricted Fund operating budgets. These funds are typically grants or single purpose funds. Non-appropriated funds have ongoing authorization for expenditures within realized resources by virtue of the enabling legislation. The budgets are based on resources and are determined administratively without requiring the passage of annual appropriation ordinances.

The 2003 non-appropriated Restricted Funds budget of \$19,716,700 is 0.1%, less than the 2002 approved budget. The reduction is primarily due to significant decreases in the Criminal Activities Forfeiture Fund 369 of \$626,260, the Drug Offender Fines Forfeiture Fund 370 of \$123,250, the Women and Infants Food Grant Program Fund 391 of \$223,770, and the elimination of funding for the Temporary Assistance to Needy Families Grant 463 of \$673,280. These reductions are primarily offset by an increase of \$672,870 in 2003 funding for the Workforce Investment Act Fund 464 and \$1,000,000 for the Neighborhood Safety Program.

The 2004 operating budgets for the non-appropriated Restricted Funds of \$20,009,510 is a net increase of \$292,810 from the 2003 budget.



WATER WORKS FUND 101

(In \$000s)	2002 Budget	2002 Estimated Actual	2003 Budget	2004 Budget
Water Works - Fund 101				
Revenue	\$89,950	\$94,000	\$101,064	\$104,033
Prior Year Carryover	<u>43,703</u>	<u>45,796</u>	<u>41,510</u>	<u>37,408</u>
Resources	\$133,653	\$139,796	\$142,574	\$141,441
Operating Expenditures	\$85,764	\$85,764	\$92,612	\$96,020
Transfers to Capital	<u>\$12,522</u>	<u>\$12,522</u>	<u>\$12,554</u>	<u>\$12,321</u>
Fund Balance	\$35,367	\$41,510	\$37,408	\$33,100

Description

Water Works Fund 101 supports the Cincinnati Water Works operations, capital improvements, repairs, and debt service expenditures without any General Fund support. The City owns and operates the entire system, funded by water user fees paid by City residents and customers in adjacent jurisdictions.

Major Services

- Water Works Administration
- Customer Services
- Water Supply
- Water Distribution
- Engineering Services
- Water Quality and Treatment

Revenues

The revenue estimates for the Water Works Fund 101 are \$101,064,000 for 2003 which is a 7.5% increase over 2002 estimated actual and \$104,033,000 for 2004 which is a 2.9% increase over 2003. These estimates are based on current rates and a rate increase of 2.0% in 2003 and projected 3.0% in 2004. The Water Works is now on an annual rate change schedule.

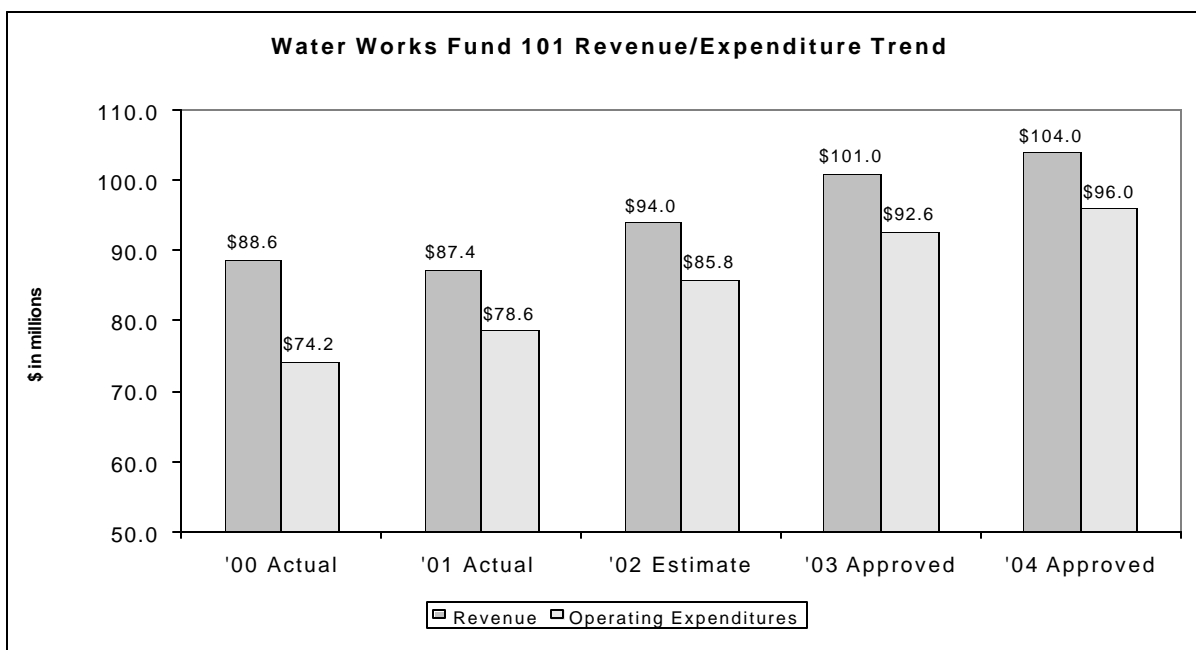
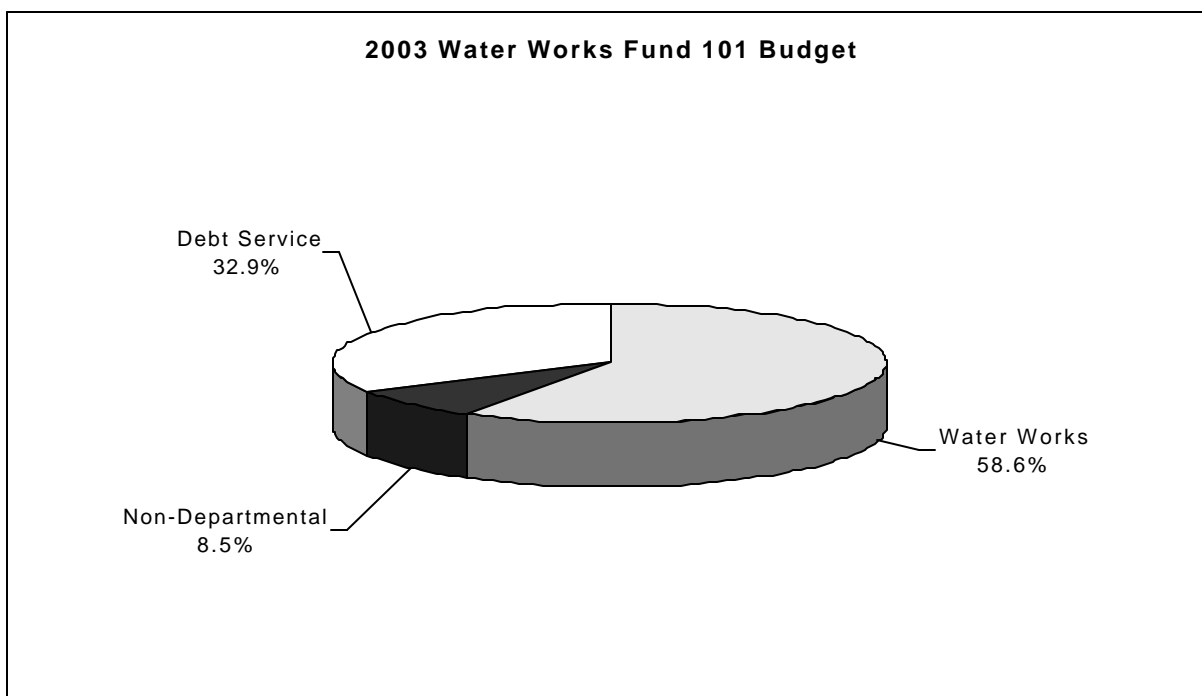
Expenditures

The total 2003 operating budget for the Water Works Fund of \$92,612,190 is an 8.0% increase over the 2002 budget. After considering inflationary increases and adjusting for reductions to management compensation, this increase is primarily due to the debt service budget for expanded capital investment, and to exceptional budget items that are a result of regulatory compliance issues, customer service initiatives, and E-Government solutions. The 2004 operating budget of \$96,020,420, which is a 3.7% increase over 2003, changes primarily by inflationary increases, and the debt service budget.

The 2003 transfer-to-capital amount of \$12,554,000 reflects a 0.2% increase in cash capital expenditures due to an expanded capital investment program. The 2004 cash transfer of \$12,321,000 reflects the overall continuation of planned capital expenditures. The combined cash funded and debt financed Water Works capital projects total \$66,743,300 for 2003 and \$64,292,500 for 2004.



WATER WORKS FUND 101 BUDGET AND TREND CHART





PARKING SYSTEM FACILITIES FUND 102

(In \$000s)	2002 Budget	2002 Estimated Actual	2003 Budget	2004 Budget
Parking System Facilities - Fund 102				
Revenue	\$8,425	\$7,600	\$8,382	\$9,026
Transfers In		2,002		
Prior Year Carryover	<u>1,734</u>	<u>2,024</u>	<u>4,468</u>	<u>3,909</u>
Resources	\$10,159	\$11,626	\$12,850	\$12,935
Operating Expenditures	\$6,568	\$6,208	\$7,851	\$7,937
Transfers to Capital	<u>\$1,837</u>	<u>\$950</u>	<u>\$1,090</u>	<u>\$1,475</u>
Fund Balance	\$1,754	\$4,468	\$3,909	\$3,523

Description

Parking System Facilities Fund 102 supports the operations of the City's public garages and parking lots and the payment of debt service incurred for capital improvements. Parking System Facilities operates as a system whereby the more profitable garages and parking lots support those in marginal and less profitable locations. The Parking System is self-supporting and does not receive any resources from the General Fund.

Major Services

- Provides clean, safe parking lots
- Provides clean, safe parking garages
- Supports regional transportation goals

Revenues

The revenue estimate for the Parking System Facilities Fund 102 is \$8,382,000 for 2003, which is a 10.3% increase over the 2002 estimated actual revenue. The decrease in revenue from budget 2002 to estimated actual 2002 is the result of the economic downturn in the City. Additional revenue will be generated from the new parking facility at 7th and

Broadway, which is expected to become operational in May 2003. For 2004, a 7.7% revenue increase is projected, representing additional revenue from a full year of operating receipts from the new 7th and Broadway facility, and a 5% increase in parking rates as part of the continued implementation of the Parking Improvement Plan.

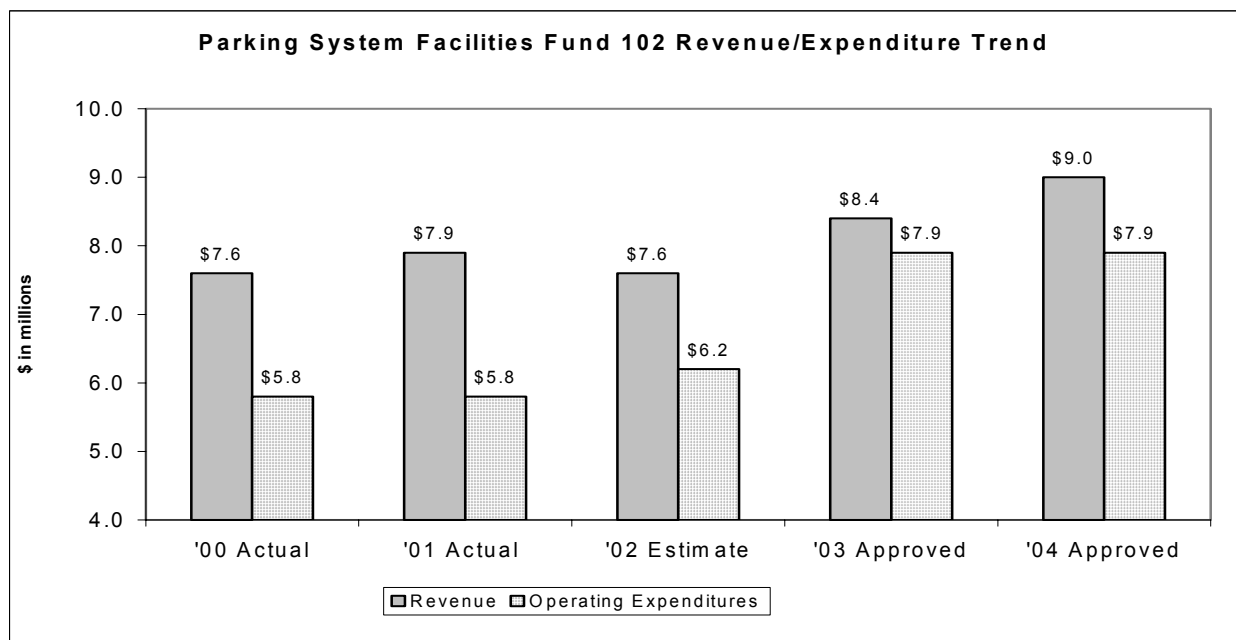
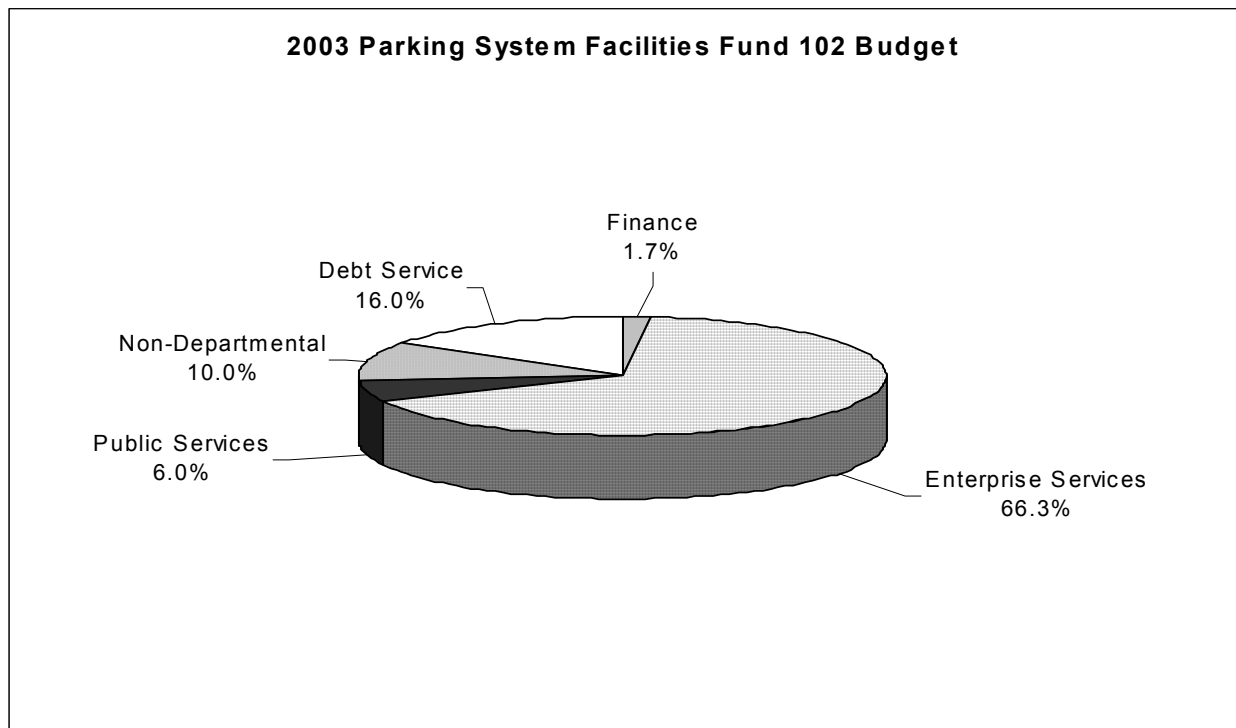
Expenditures

The total 2003 operating budget for Parking System Facilities Fund 102 of \$7,851,650 is a 19.5% increase over the 2002 operating budget. The additional expenses are primarily related to additional operating costs and debt service for the new parking facility at 7th and Broadway. The 2004 operating budget of \$7,936,730 reflects inflationary increases.

The Parking Facilities Fund 102 supports cash transfers for capital expenditures of \$1,090,000 in 2003 and \$1,475,000 in 2004. Capital projects are for structural renovation and equipment replacement and upgrades.



PARKING SYSTEM FACILITIES FUND 102 BUDGET AND TREND CHART





CONVENTION CENTER FUND 103

(In \$000s)	2002 Budget	2002 Estimated Actual	2003 Budget	2004 Budget
Convention Center – Fund 103				
Revenue	\$4,100	\$4,800	\$4,500	\$4,500
Prior Year Carryover	<u>1,302</u>	<u>1,918</u>	<u>1,970</u>	<u>1,579</u>
Resources	\$5,402	\$6,718	\$6,470	\$6,079
Operating Expenditures	<u>\$5,401</u>	<u>\$4,748</u>	<u>\$4,891</u>	<u>\$4,962</u>
Fund Balance	\$1	\$1,970	\$1,579	\$1,117

Description

Convention Center Fund 103 receives the fees charged for the use of the Convention Center and revenue from the Transient Occupancy Tax to pay for its operation, utilities, and maintenance. The Convention Center is operationally self-supporting with these funding sources and does not receive resources from the General Fund.

Major Services

The Convention Center provides space and support services for the following events:

- Conventions
- Conferences
- Trade shows
- Public expositions
- Meeting rooms
- Catered events

Revenues

The revenue estimate for the Convention Center Fund 103 in 2002 is a 17.0% increase over the approved 2002 budget. The increase represents higher than expected revenue from food/beverage/rental receipts, and additional

revenue from an increase in the Transient Occupancy Tax rate. The revenue estimate for both 2003 and 2004 is \$4,500,000, which is a 6.1% decrease from the estimated actual revenue received in 2002. The estimate is lower because in 2003 and beyond receipts from the Transient Occupancy Tax rate increase will not be deposited into the Convention Center Fund because they will be directed toward the Convention Center expansion project.

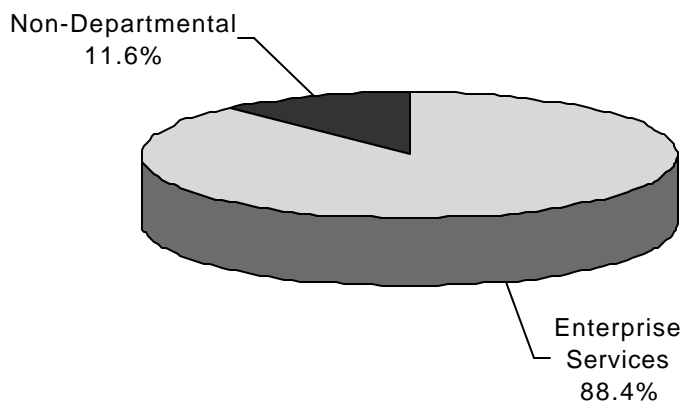
Expenditures

The total 2002 estimated operating expenditures amount of \$4,748,000 is a 12.1% decrease from the approved 2002 budget, primarily due to energy savings from lower natural gas costs and a new energy management system. Additional savings were also anticipated from lower part-time labor costs because of fewer events. The 2003 and 2004 operating budgets primarily reflect inflationary increases. With revenues declining, significant reductions in expenditures will be required for this fund in the future.

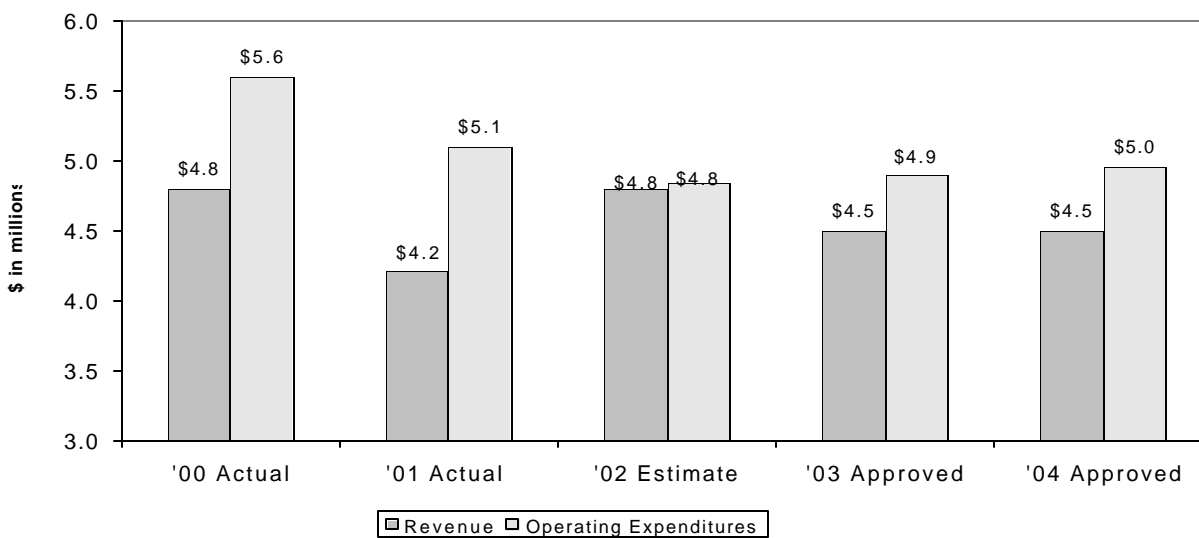


CONVENTION CENTER FUND 103 BUDGET AND TREND CHART

2003 Convention Center Fund 103 Budget



Convention Center Fund 103 Revenue/Expenditure Trend





GENERAL AVIATION FUND 104

(In \$000s)	2002 Budget	2002 Estimated Actual	2003 Budget	2004 Budget
General Aviation - Fund 104				
Revenue	\$1,600	\$1,800	\$1,750	\$1,750
Transfers In		116		
Prior Year Carryover	<u>964</u>	<u>1,334</u>	<u>1,344</u>	<u>1,210</u>
Resources	\$2,564	\$3,250	\$3,094	\$2,960
Operating Expenditures	\$1,410	\$1,391	\$1,454	\$1,477
Transfers to Capital	<u>515</u>	<u>515</u>	<u>430</u>	<u>460</u>
Fund Balance	\$639	\$1,344	\$1,210	\$1,023

Description

General Aviation Fund 104 accounts for revenues from hangar rental and other fees at Lunken Airport. Expenditures from this fund support maintenance and general operation of the municipally-owned Lunken Airport. General Aviation is self-supporting and does not receive resources from the General Fund. Capital improvements for the airport are funded primarily from Federal Aviation Administration (FAA) grants.

Major Services

- Lunken Airport operation
- Facility development
- Business aircraft support
- Leisure aircraft support

Revenues

The revenue estimates for the General Aviation Fund 104 are \$1,750,000 for both 2003 and 2004, which is a 2.8% decrease from the 2002 estimated actual.

These estimates are based on current rates and small fee increases in standard hangar and land lease provisions and an increase in the amount of leased space.

Expenditures

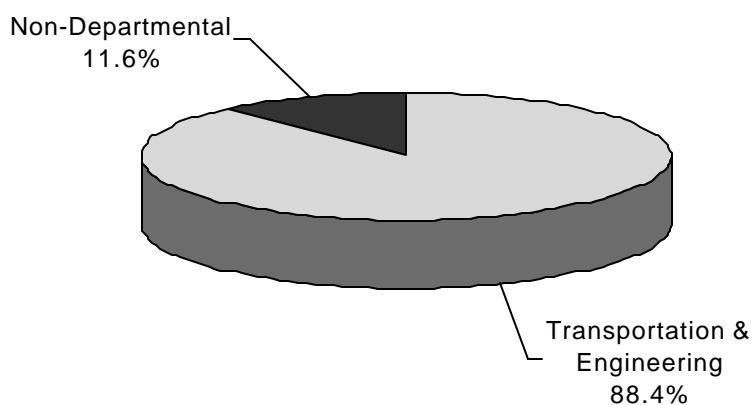
The total 2003 operating budget for the General Aviation Fund of \$1,453,830 is a 3.1% increase over the 2002 budget. The 2004 operating budget of \$1,477,350 is a 1.6% increase over 2003. The operating budget changes primarily by inflationary increases.

The General Aviation Fund 104 provides local matching funds for capital projects financed by the Federal Aviation Trust Fund Program. An amount of \$200,000 is earmarked annually in the General Aviation Fund to provide matching funds for capital projects funded by the FAA. The Capital Budget includes \$430,000 and \$460,000 for 2003 and 2004 respectively, to support the FAA match and other facility improvements.

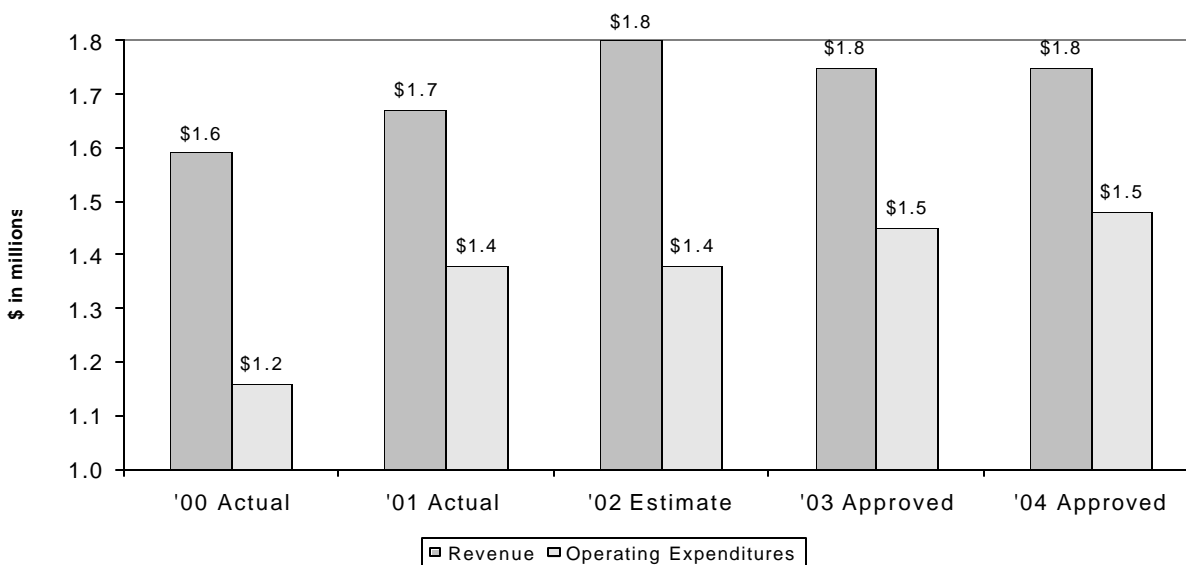


GENERAL AVIATION FUND 104 BUDGET AND TREND CHART

2003 General Aviation Fund 104 Budget



General Aviation Fund 104 Revenue/Expenditure Trend





MUNICIPAL GOLF FUND 105

(In \$000s)	2002 Budget	2002 Estimated Actual	2003 Budget	2004 Budget
Municipal Golf - Fund 105				
Revenue	\$6,700	\$6,200	\$6,450	\$6,450
Prior Year Carryover	<u>486</u>	<u>524</u>	<u>505</u>	<u>463</u>
Resources	\$7,186	\$6,724	\$6,955	\$6,913
Operating Expenditures	\$6,328	\$6,119	\$6,492	\$6,480
Transfers to Capital		71		
Incentive Fee	<u>\$218</u>	<u>29</u>		
Fund Balance	\$640	\$505	\$463	\$433

Descriptions

Municipal Golf Fund 105 supports the operation of the City's privately managed golf courses, using receipts from fees charged for the use of the golf courses, driving ranges, golf carts, and concession purchases by golf patrons. The fund includes operations, capital improvements, and debt service.

Major Services

- Operation and Maintenance of Seven Golf Courses
- Junior Golf Programs
- League Play

Revenues

The revenue estimate for the Municipal Golf Fund 105 of \$6,450,000 for 2003 and 2004 is a 3.7% decrease from the 2002 budget

which is in part due to a decrease in estimated golfing rounds, and the state of the golf economy. The 2003 and 2004 revenue estimate will increase by 4.0% over the 2002 estimated actual due to the renegotiation of the management contract for the seven city courses and the anticipation of more golfing rounds. Savings are expected to be generated by the decrease in incentive fee payments in 2003 and 2004. The 2004 revenue amount remains at the 2003 level.

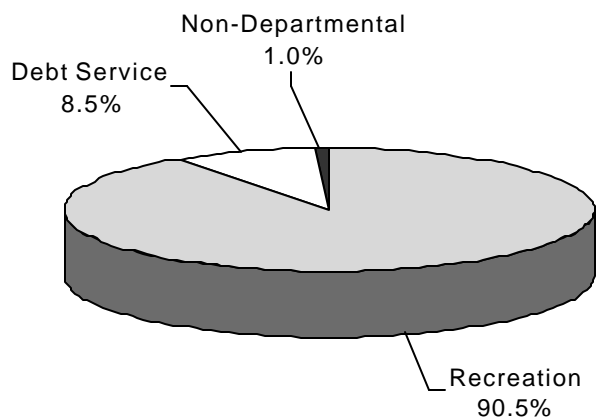
Expenditures

The total 2003 operating budget for the Municipal Golf Fund 105 of \$6,492,310, including debt service, is a 2.6% increase over the 2002 budget primarily due to inflationary and overhead charge increases. The 2003 operating budget is a 6.1% increase over 2002 estimated actual in anticipation of more golfing rounds. A plan to transfer carryover balance funds for capital projects will be developed in early 2003. The 2004 operating budget remains relatively constant and decreases slightly by 0.18% when compared to 2003. If revenues continue to decline in this fund, the level of expenditures will need to be reduced accordingly in the future.

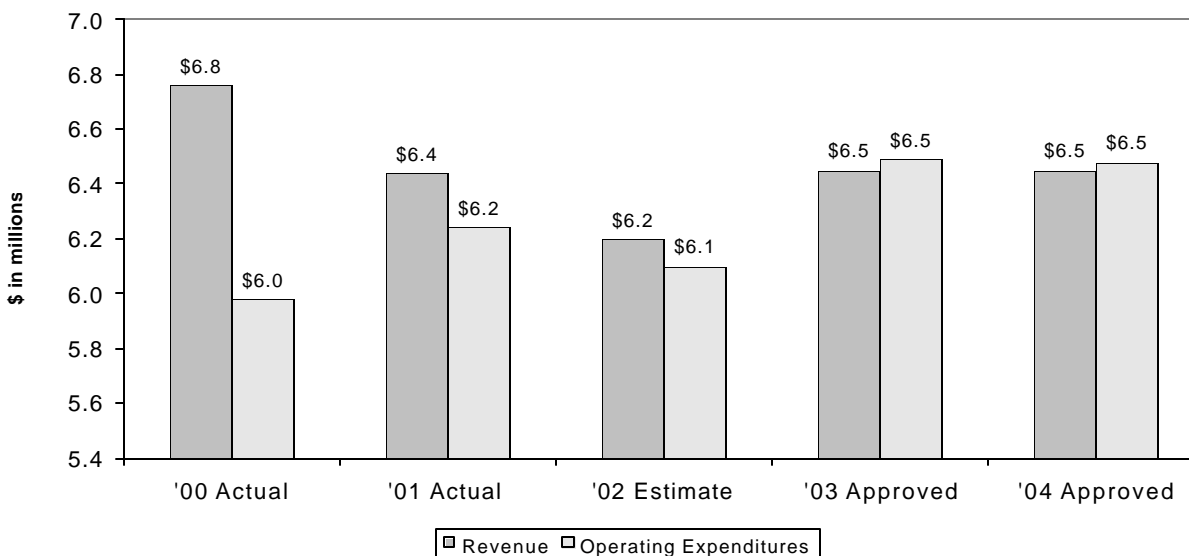


MUNICIPAL GOLF FUND 105 BUDGET AND TREND CHART

2003 Municipal Golf Fund 105 Budget



Municipal Golf Fund 105 Revenue/Expenditure Trend





STORMWATER MANAGEMENT UTILITY FUND 107

(In \$000s)	2002 Budget	2002 Estimated Actual	2003 Budget	2004 Budget
Stormwater Management Utility - Fund 107				
Revenue	\$7,700	\$7,700	\$7,700	\$7,700
Transfers In	143	149		
Prior Year Carryover	<u>4,200</u>	<u>4,829</u>	<u>2,982</u>	<u>2,379</u>
Resources	\$12,043	\$12,678	\$10,682	\$10,079
Operating Expenditures	\$6,301	\$6,301	\$7,219	\$7,239
Transfers to Capital	<u>\$3,300</u>	<u>\$3,395</u>	<u>\$1,084</u>	<u>\$1,756</u>
Fund Balance	\$2,442	\$2,982	\$2,379	\$1,084

Description

Stormwater Management Utility Fund 107 was established by the City Council in 1985 to account for the revenues and operating expenses of the Stormwater Management Utility in Cincinnati. Revenues are generated by a user fee determined by a formula using property area and land use based on an intensity of development factor. Expenditures primarily cover capital improvements; storm sewer maintenance and repair; and administrative costs of master planning, billing, regulation, and enforcement. The Stormwater Management Utility is self-supporting and does not receive any funding from the General Fund.

Major Services

- Flood Control
- Drainage Master Planning
- Capital Improvement Projects
- Regulation and Enforcement
- Permit Administration
- Routine and Remedial Maintenance

Revenues

The revenue estimates for the Stormwater Management Utility Fund 107 is \$7,700,000 for 2003 and 2004, which is no change from 2002 estimated actual. These estimates are based on current rates.

Expenditures

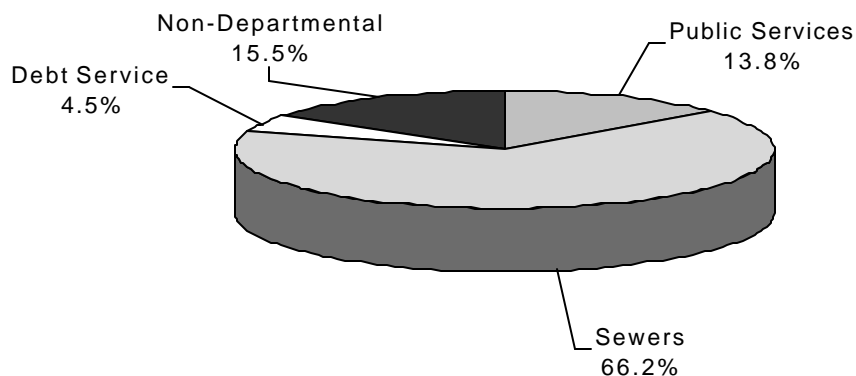
The total 2003 operating budget for the Stormwater Management Fund of \$7,219,230 is a 14.6% increase over the 2002 budget. After considering inflationary increases and adjusting for reductions to management compensation, the increase is due to the Mechanical Street Sweeping program now being funded out of Fund 107. This program will continue to be operated by the Neighborhood Operations Division of the Public Services Department. The Mechanical Street Sweeping program has a \$993,330 budget. The small 0.3% increase for 2004 reflects a reduction for non-recurring costs.

The Stormwater Management Utility Fund 107 supports cash transfers for capital expenditures of \$1,084,000 in 2003 and \$1,756,000 in 2004 for the correction of drainage problems and storm drainage improvements, Duck Creek Flood Protection, and Barrier Dam repairs.

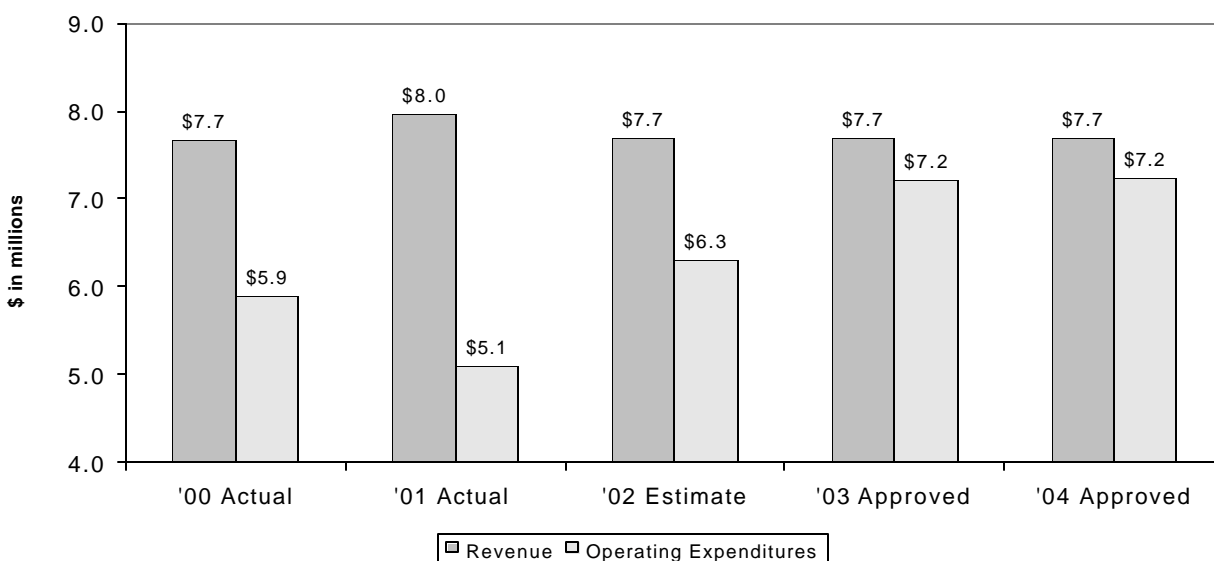


STORMWATER MANAGEMENT UTILITY FUND 107 BUDGET AND TREND CHART

2003 Stormwater Management Fund 107 Budget



Stormwater Management Fund 107 Revenue/Expenditure Trend





BOND RETIREMENT FUND 151

(In \$000s)	2002 Budget	2002 Estimated Actual	2003 Budget	2004 Budget
Bond Retirement - Fund 151				
Revenue	\$59,740	\$67,826	\$66,265	\$59,867
Prior Year Carryover	<u>250</u>	<u>4,545</u>	<u>2,531</u>	<u>2,879</u>
Resources	\$59,990	\$72,371	\$68,796	\$62,746
Operating Expenditures	<u>\$59,740</u>	<u>\$69,840</u>	<u>\$65,917</u>	<u>\$60,520</u>
Fund Balance	\$250	\$2,531	\$2,879	\$2,226

Description

Bond Retirement Fund 151 pays the debt service on General Obligation bonds and notes issued to raise capital improvement funds. For more detailed information about debt service, see page 233.

Major Services

- Maintain records of general obligation debt.
- Receive taxes levied for debt service.
- Bill various agencies for self-supporting debt.
- Invest monies until needed to pay debt service payment.
- Schedule and pay debt service when due.

Revenues

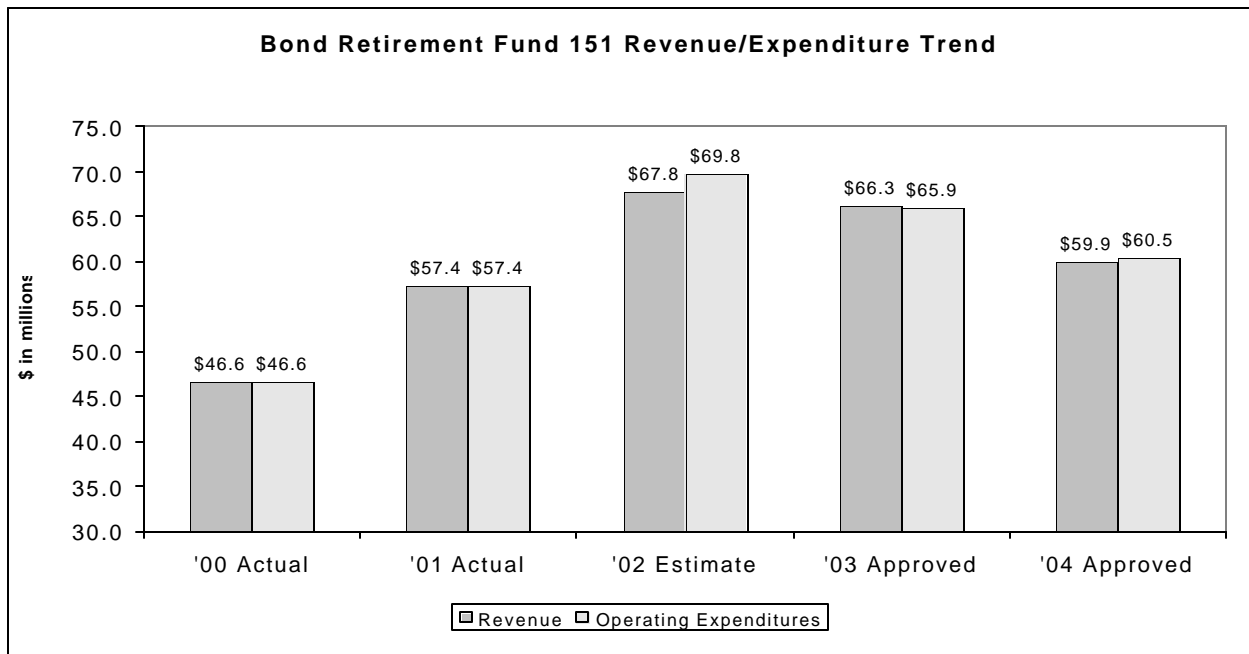
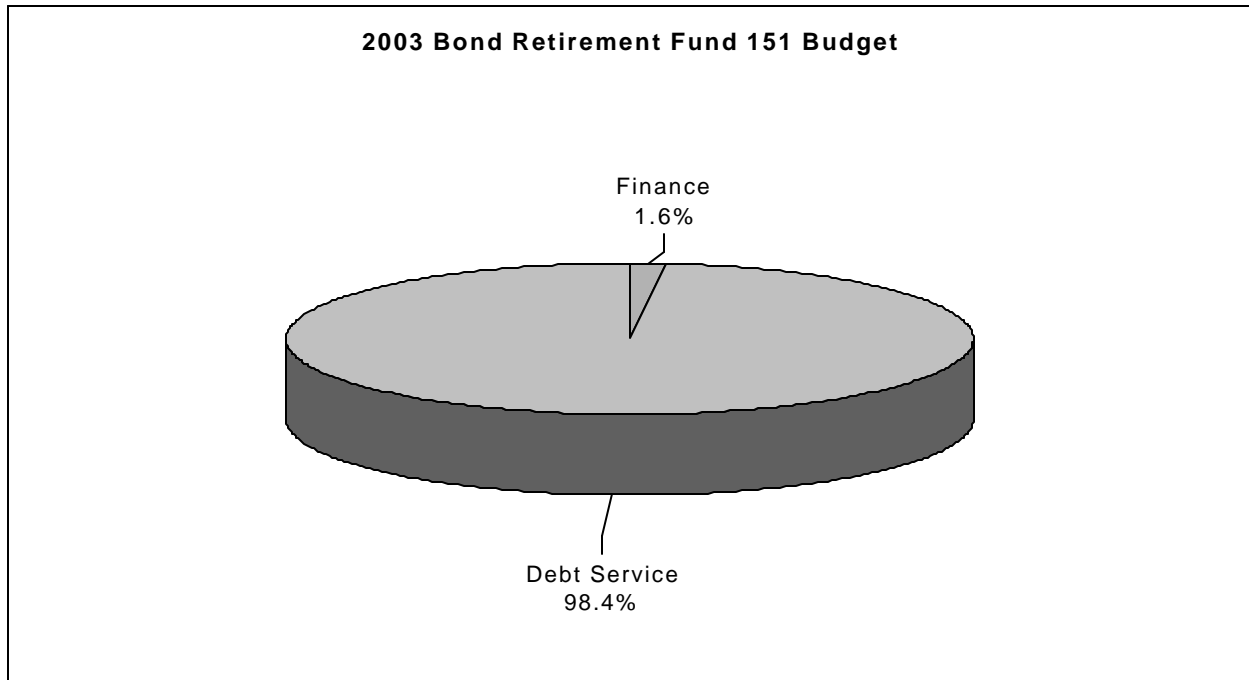
The revenue estimates for the Bond Retirement Fund 151 are \$66,265,000 for 2003 which is a 2.3% decrease from the 2002 estimated actual amount and a 10.9% increase over the 2002 budget. Revenue in the Bond Retirement Fund will vary depending on property tax revenue and other sources of debt repayment. The primary source of revenue for the fund is the 5.36 mills of property tax (over and above the 5.27 mills for the operating budget) levied against the assessed value of real and tangible property. By annual resolution, City Council authorizes the property tax rate required to be levied to service the expense related to administration of the Bond Retirement Fund, including the payment of principal and interest on certain City bonded indebtedness.

Expenditures

The 2003 expenditure budget of \$65,917,000 which is a 5.6% decrease from the 2002 estimated actual amount and a 10.3% increase over the 2002 budget. Expenditures will vary annually depending on the amount of principal and interest to be paid.



BOND RETIREMENT FUND 151 BUDGET AND TREND CHART





STREET CONSTRUCTION, MAINTENANCE, AND REPAIR FUND 301

(In \$000s)	2002 Budget	2002 Estimated Actual	2003 Budget	2004 Budget
Street Construction, Maintenance, and Repair – Fund 301				
Revenue	\$8,000	\$7,500	\$7,500	\$7,400
Prior Year Carryover	<u>1,302</u>	<u>1,794</u>	<u>1,117</u>	<u>712</u>
Resources	\$9,302	\$9,294	\$8,617	\$8,112
Operating Expenditures	<u>\$8,352</u>	<u>\$8,177</u>	<u>\$7,905</u>	<u>\$7,889</u>
Fund Balance	\$950	\$1,117	\$712	\$223

Description

Street Construction, Maintenance, and Repair Fund 301 is used by the Public Services Department to supplement the maintenance and repair of the City's street system and traffic control devices. The funds are received from the State of Ohio from the motor vehicle license tax and gasoline taxes.

Major Services

- Street Maintenance
- Street Repair
- Snow Removal
- Street Signage

Revenues

The revenue estimate for the Street Construction, Maintenance, and Repair Fund 301 is \$7,500,000 for 2003, which is no change from the 2002 estimated actual. Revenue for 2004 is a 1.3% decrease from 2003. These

estimates are based on current rates and additional proportionally shared taxes from the State of Ohio. The decline in revenue is attributed to fewer registered vehicles in the City.

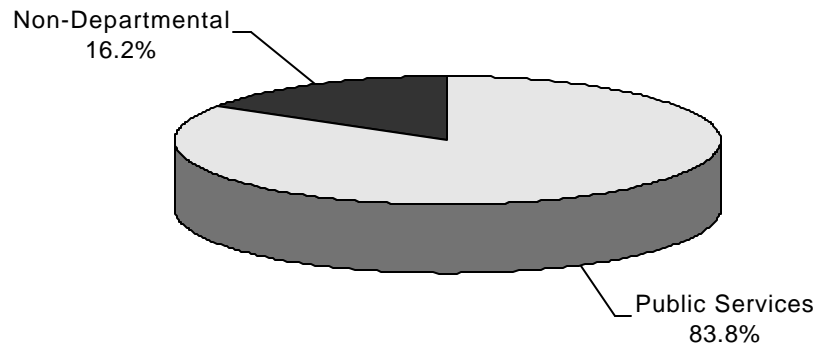
Expenditures

The total 2003 operating budget for the Street Construction, Maintenance, and Repair Fund of \$7,905,110 is a 5.4 % decrease from the 2002 budget. After considering inflationary increases, the change from 2002 to 2003 is primarily related to the elimination of five positions, a reduction for management compensation, and reductions for materials and supplies totaling \$350,000. The 2004 operating budget of \$7,888,940 is a 0.2% decrease from 2003, primarily for position vacancy adjustments. With revenues declining, significant reductions will be required for this fund in the future.

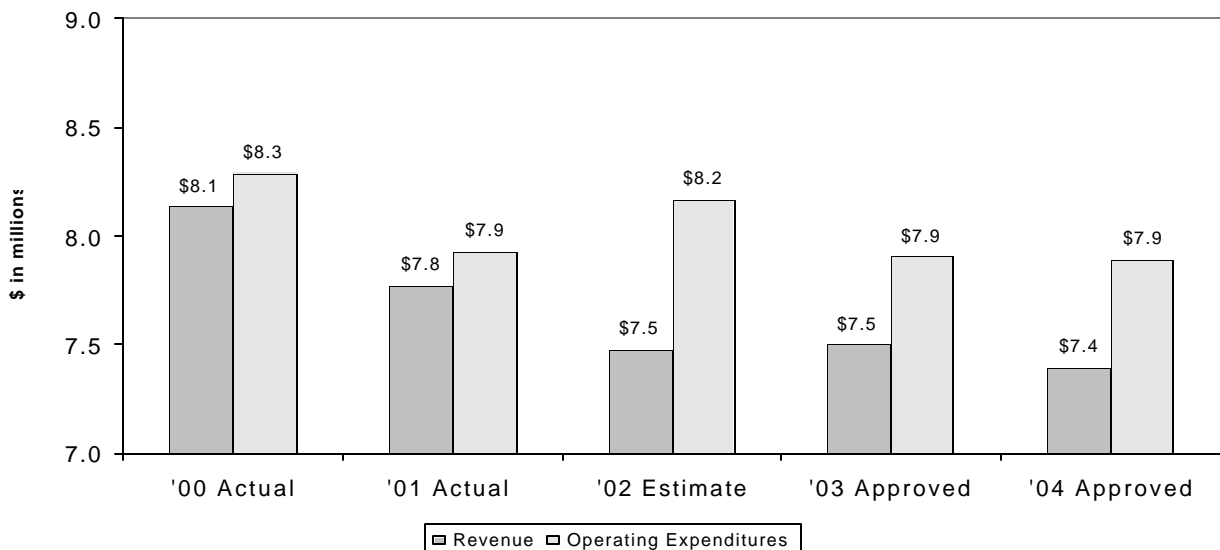


STREET CONSTRUCTION, MAINTENANCE, AND REPAIR FUND 301 BUDGET AND TREND CHART

2003 Street Construction, Maintenance, and Repair Fund 301 Budget



Street Construction, Maintenance, and Repair Fund 301 Revenue/Expenditure Trend





INCOME TAX-INFRASTRUCTURE FUND 302

(In \$000s)	2002 Budget	2002 Estimated Actual	2003 Budget	2004 Budget
Income Tax-Infrastructure - Fund 302				
Revenue	\$12,686	\$12,100	\$12,302	\$12,786
Prior Year Carryover	<u>6,737</u>	<u>7,212</u>	<u>2,848</u>	<u>1,846</u>
Resources	\$19,423	\$19,312	\$15,150	\$14,632
Operating Expenditures	\$13,532	\$12,764	\$13,304	\$12,639
Transfers to Capital/Out		\$3,700		
Fund Balance	\$5,891	\$2,848	\$1,846	\$1,993

Description

Income Tax-Infrastructure Fund 302 accounts for receipts from the 0.1% increase in the Income Tax approved by voters in 1988 and for expenses for repair, upkeep, and improvements of the City's infrastructure. The Infrastructure Income Tax Ordinance requires that the City meet a commitment to appropriate at least \$59.3 million in 2003 and \$60.1 million in 2004 for yearly infrastructure needs from both the Operating and Capital programs. The Ordinance requires that 90% of these dollars be spent within three years of the original appropriation or the City will lose the 0.1% Infrastructure Earnings Tax.

Major Services

- Street Maintenance
- Bridge Maintenance
- Traffic Operations
- City Facility Maintenance
- Park and Recreation Facility Maintenance

Revenues

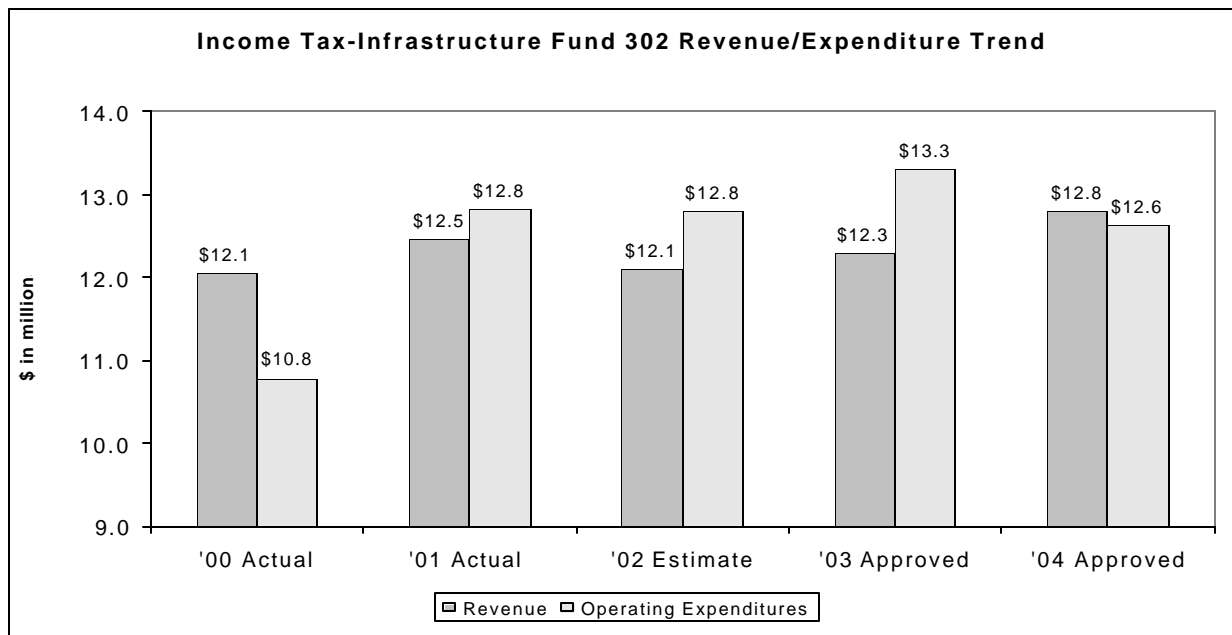
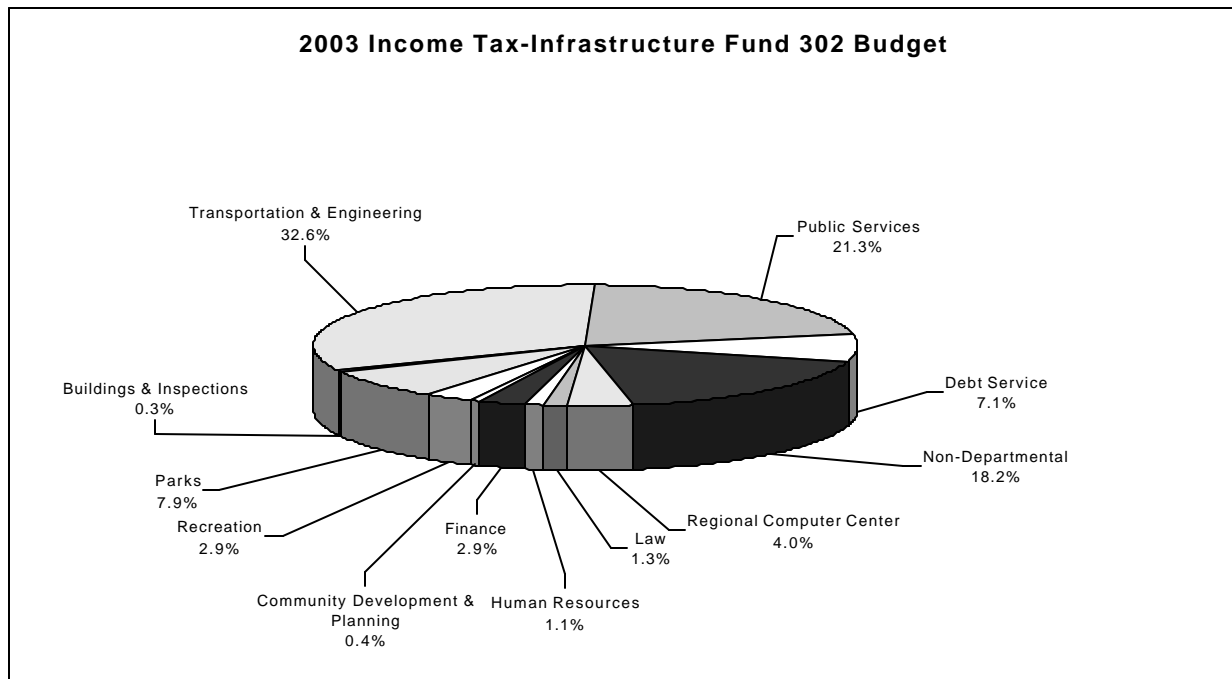
The revenue estimate for the Income Tax-Infrastructure Fund 302 is \$12,302,000 for 2003 which is a 1.7% increase over the 2002 estimated actual. For 2004, the revenue increases by 3.9% in anticipation of an economic expansion.

Expenditures

The total 2003 operating budget for the Income Tax-Infrastructure Fund of \$13,304,480 is a 1.7% decrease from the 2002 budget. After considering inflationary increases, the decrease is primarily due to a \$400,000 reduction to the Crack and Slurry Seal Program. The 2004 operating budget of \$12,638,790 is a 5.0% decrease from 2003. This decrease is primarily related to a reduction in debt service payments of \$939,380. This reduction is offset by the restoration of \$200,000 for the Crack and Slurry Seal Program.



INCOME TAX-INFRASTRUCTURE FUND 302 BUDGET AND TREND CHART





PARKING METER FUND 303

(In \$000s)	2002 Budget	2002 Estimated Actual	2003 Budget	2004 Budget
Parking Meter - Fund 303				
Revenue	\$888	\$910	\$910	\$929
Prior Year Carryover	<u>1,943</u>	<u>2,046</u>	<u>2,243</u>	<u>792</u>
Resources	\$2,831	\$2,956	\$3,153	\$1,721
Operating Expenditures	\$770	\$713	\$2,361	\$1,318
Fund Balance	\$2,061	\$2,243	\$792	\$403

Description

Parking Meter Fund 303 accounts for net receipts from the City's parking meters throughout the City, but primarily downtown. Expenditures are appropriated for selected operations in the Community Development and Planning Department, the Parks Department, the Police Department, the Traffic and Road Operations Division of the Public Services Department, and the Traffic Engineering Division of the Department of Transportation and Engineering.

Major Services

- Traffic and Road Operations
- Economic Development
- Greenspace Management Program
- Roadside Cleaning Program
- Meter Enforcement by Officers

Revenues

The revenue estimates for the Parking Meter Fund 303 are \$910,000 for 2003 which matches the 2002 estimated actual revenue amount. For 2004, the revenue increases by 2.1% to reflect increased demand based on an expanding local economy. These estimates are based on current rates.

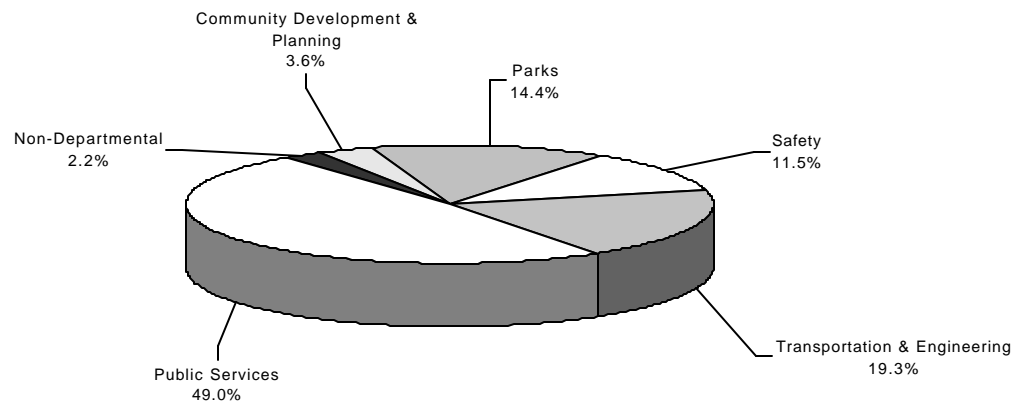
Expenditures

The total 2003 operating budget for the Parking Meter Fund of \$2,360,620 is a 206.6% increase over the 2002 budget. After considering inflationary increases, this change is due to the transfer of the Department of Parks' \$340,110 Greenspace Management Program from the General Fund to the Parking Meter Fund, the addition of \$60,000 to cover equipment for the new Enhanced Roadside Cleaning Program, and the addition of \$1,056,870 for partial funding of the yard waste and recycling programs in 2003 only. The 2004 operating budget of \$1,317,570 is a 44.2% decrease from 2003, which reflects a reduction for non-recurring costs for the discontinued yard waste and recycling programs.

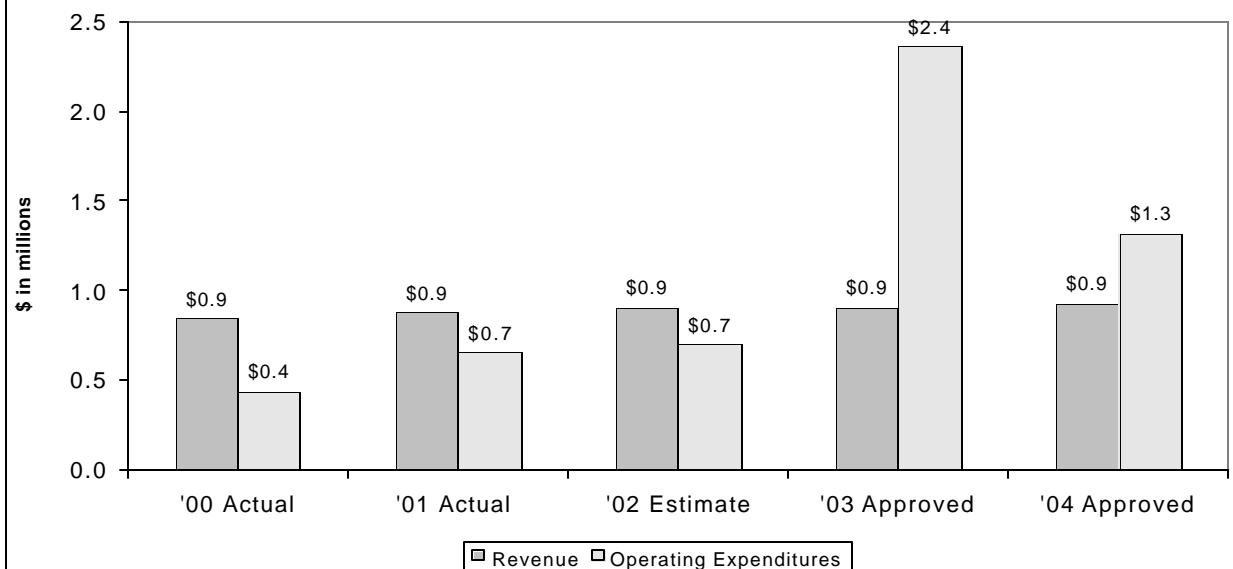


PARKING METER FUND 303 BUDGET AND TREND CHART

2003 Parking Meter Fund 303 Budget



Parking Meter Fund 303 Revenue/Expenditure Trend





MUNICIPAL MOTOR VEHICLE LICENSE TAX FUND 306

(In \$000s)	2002 Budget	2002 Estimated Actual	2003 Budget	2004 Budget
Municipal Motor Vehicle License Tax - Fund 306				
Revenue	\$2,750	\$2,720	\$2,650	\$2,650
Prior Year Carryover	<u>440</u>	<u>635</u>	<u>788</u>	<u>468</u>
Resources	\$3,190	\$3,355	\$3,438	\$3,118
Operating Expenditures	<u>\$2,824</u>	<u>\$2,567</u>	<u>\$2,970</u>	<u>\$2,651</u>
Fund Balance	\$366	\$788	\$468	\$467

Description

Municipal Motor Vehicle License Tax Fund 306 accounts for the receipts from the Motor Vehicle License Tax levied by the City and 50% of the receipts from the tax levied by Hamilton County. Fund expenditures are dedicated to repair, upkeep, and improvements to the City's right-of-way.

is due to the transfer of positions from the General Fund to the Municipal Motor Vehicle License Tax Fund. The 2004 operating budget of \$2,650,620 is a 10.8% decrease from 2003. This decrease is related to a \$360,000 reduction to the ice control and expert services budget.

Major Services

- Street Maintenance
- Street Repair
- Snow Removal
- Street Signage

Revenues

The revenue estimates for the Municipal Motor Vehicle License Tax Fund 306 are \$2,650,000 for 2003 and 2004 which is a 2.6% decrease from 2002 estimated actual. These estimates are based on current rates. The decline in revenue is attributed to fewer registered vehicles in the City.

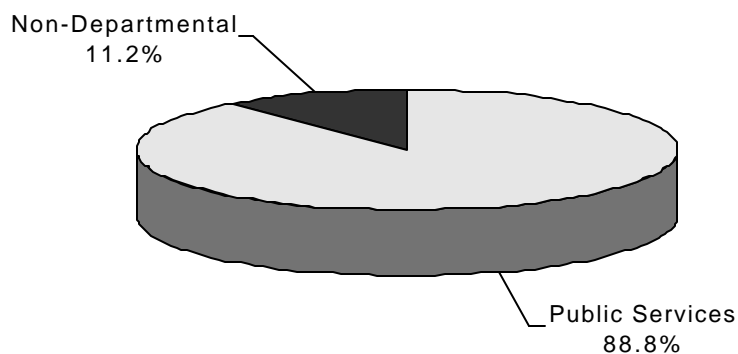
Expenditures

The total 2003 budget for the Municipal Motor Vehicle License Tax Fund of \$2,969,900 is a 5.2% increase over the 2002 budget. After considering inflationary increases, this increase

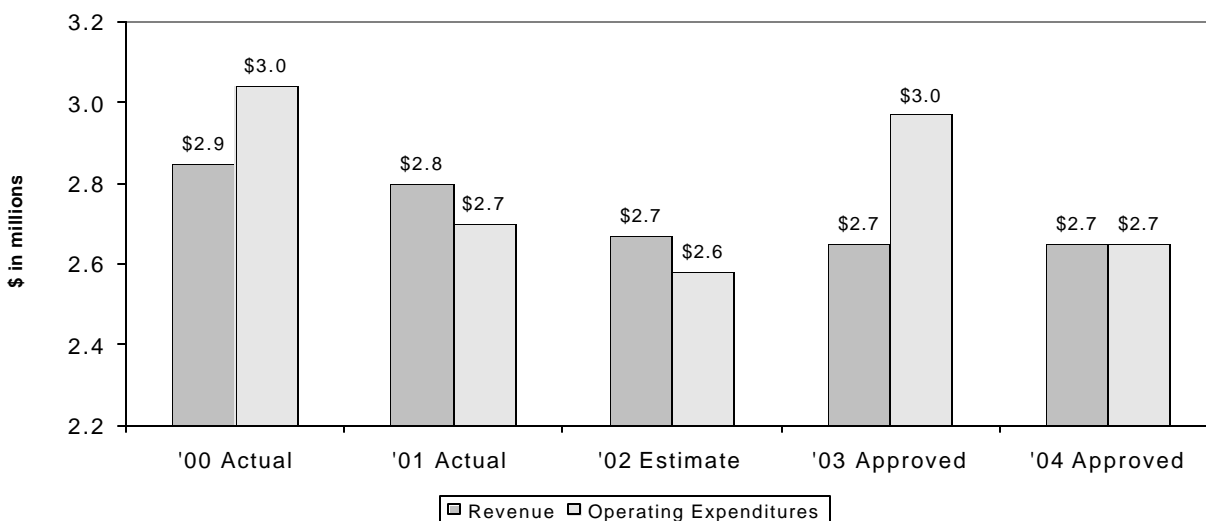


MOTOR VEHICLE LICENSE TAX FUND 306 BUDGET AND TREND CHART

2003 Municipal Motor Vehicle License Tax Fund 306 Budget



Municipal Motor Vehicle License Tax Fund 306 Revenue/Expenditure Trend





SAWYER POINT FUND 318

(In \$000s)	2002 Budget	2002 Estimated Actual	2003 Budget	2004 Budget
Sawyer Point – Fund 318				
Revenue	\$1,100	\$825	\$925	\$950
Prior Year Carryover	<u>719</u>	<u>516</u>	<u>488</u>	<u>236</u>
Resources	\$1,819	\$1,341	\$1,413	\$1,186
Operating Expenditures	<u>\$1,136</u>	<u>\$853</u>	<u>\$1,177</u>	<u>\$1,181</u>
Fund Balance	\$683	\$488	\$236	\$5

Description

Revenue to support the Sawyer Point Fund 318 is generated from waterfront fee-based programs, waterfront special activities and events, and concession purchases. In May of 1997, Jacor Broadcasting Corporation contracted with the Cincinnati Recreation Commission to produce Riverfest, Kidsfest, the All-American Birthday Party, and the Procter and Gamble Concert Series. This contractual arrangement reduces the expenses and net revenues associated with the Sawyer Point Fund.

Major Services

- Operation and maintenance of Central Riverfront
- Showboat Majestic
- Special events including Riverfest, Kidsfest, and concerts

Revenues

The revenue estimates for the Sawyer Point Fund 318 of \$925,000 for 2003 is a 15.9% decrease from the revenue in the 2002 budget primarily due to the loss of parking fees from employees of the Arthur Andersen firm who no longer are utilizing the department's parking

facilities. The 2003 revenue estimate of \$925,000 increases by 12.0% over the 2002 estimated actual. Revenue for 2004 is a 2.7% increase over 2003. These estimates are based on additional revenue that will be generated from increased fees for audio services in 2003 and 2004.

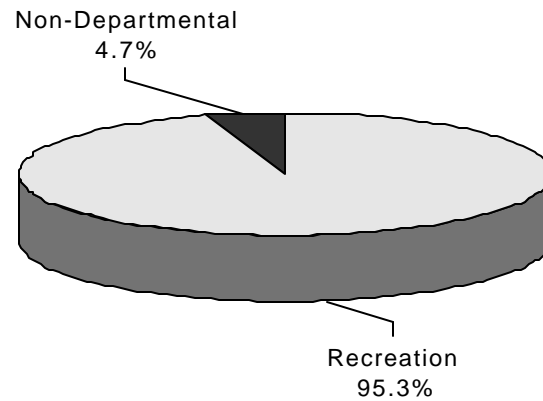
Expenditures

The total 2003 operating budget for the Sawyer Point Fund of \$1,177,360 is a 3.7% increase over the 2002 budget primarily due to inflationary increases and remains relatively constant in 2004. The 2003 operating budget is a 49.9% increase over the 2002 estimated actual and reflects an increase in activity which is expected to continue into 2004.

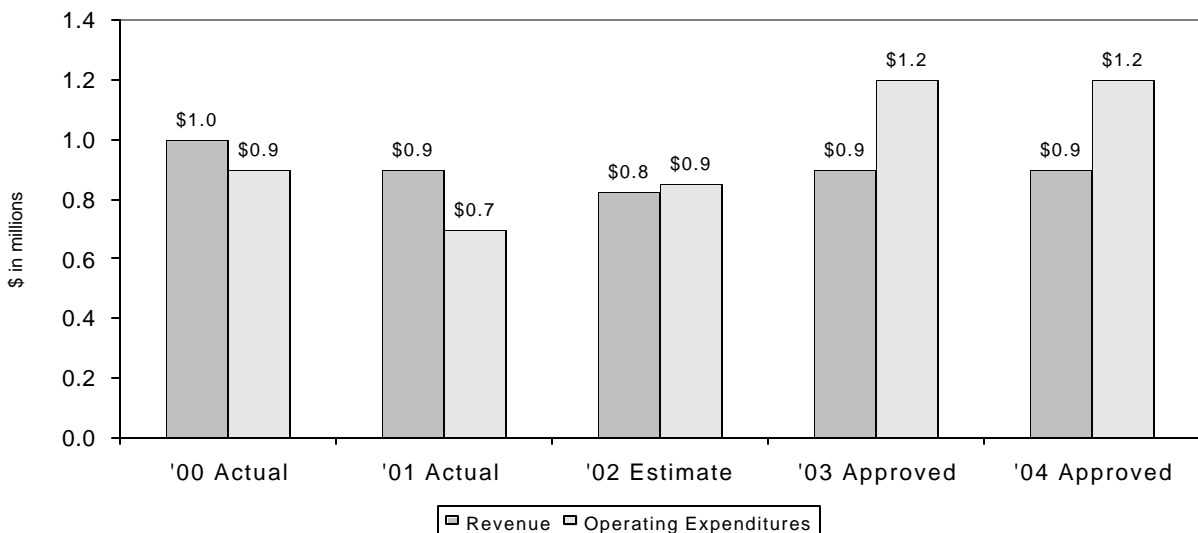


SAWYER POINT FUND 318 BUDGET AND TREND CHART

2003 Sawyer Point Fund 318 Budget



Sawyer Point Fund 318 Revenue/Expenditure Trend





RECREATION SPECIAL ACTIVITIES FUND 323

(In \$000s)	2002 Budget	2002 Estimated Actual	2003 Budget	2004 Budget
Recreation Special Activities - Fund 323				
Revenue	\$3,050	\$3,050	\$3,050	\$3,050
Prior Year Cancellations			15	<u>15</u>
Prior Year Carryover	<u>531</u>	<u>488</u>	<u>388</u>	<u>203</u>
Resources	\$3,581	\$3,538	\$3,453	\$3,268
Operating Expenditures	\$3,150	\$3,150	\$3,250	\$3,252
Transfers to Capital				
Fund Balance	\$431	\$388	\$203	\$16

Description

Special Activities Fund 323 accounts for the receipts and operating expenditures of recreation facility rentals, day camps, swimming pools, Schmidt boat ramp, concessions, and Recreation Center contract classes.

Major Services

- Citywide athletic programs
- Day and summer camps
- After school programs
- Swimming pools
- Recreation centers

Revenues

The revenue estimate for the Special Activities Fund 323 of \$3,050,000 for 2003 and 2004 remains the same amount as the 2002 budget and is the same as the 2002 estimated actual. This reflects the same rates and level of payments for programs and activities.

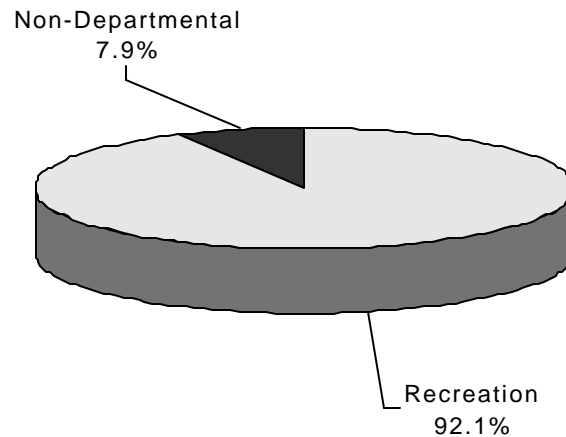
Expenditures

The total 2003 operating budget for the Special Activities Fund of \$3,249,780 is a 3.2% increase over the 2002 budget primarily due to inflationary increases and remains relatively constant in 2004.

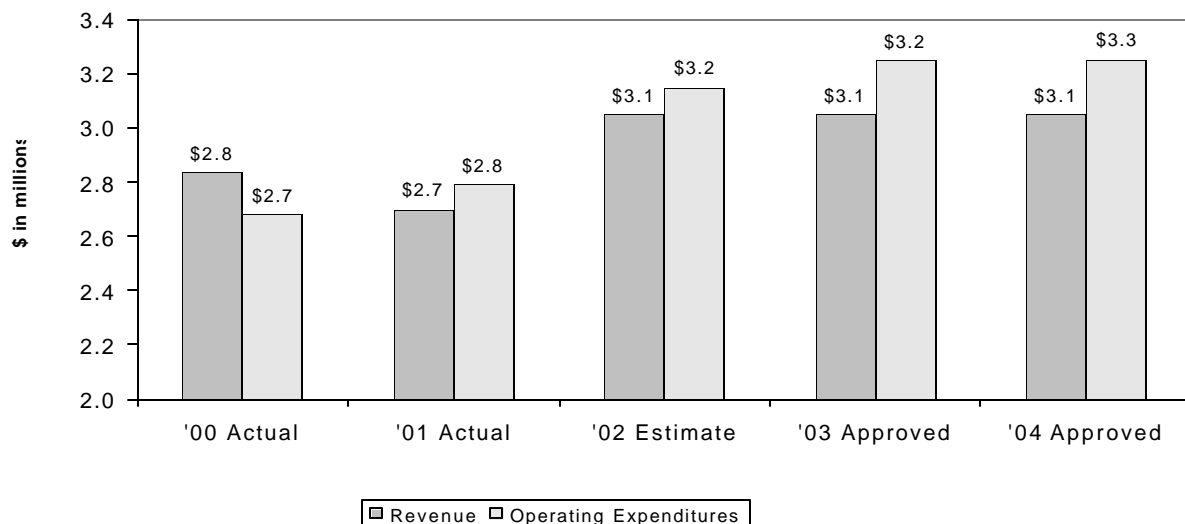


RECREATION SPECIAL ACTIVITIES FUND 323 BUDGET AND TREND CHART

2003 Recreation Special Activities Fund 323 Budget



Recreation Special Activities Fund 323 Revenue/Expenditure Trend





HEALTH SERVICES FUND 395

(In \$000s)	2002 Budget	2002 Estimated Actual	2003 Budget	2004 Budget
Health Services - Fund 395				
Revenue	\$3,000	\$3,400	\$3,500	\$3,500
Prior Year Carryover	<u>468</u>	<u>1,568</u>	<u>1,909</u>	<u>766</u>
Resources	\$3,468	\$4,968	\$5,409	\$4,266
Operating Expenditures	<u>\$3,097</u>	<u>\$3,059</u>	<u>\$4,643</u>	<u>\$4,266</u>
Fund Balance	\$371	\$1,909	\$766	\$0

Description

Health Services Fund 395 receives revenue from Medicare, Medicaid, and other third party payments for services rendered by the City's health clinics to qualifying patients. This fund supports a policy of wellness and preventive health maintenance to serve the health needs of citizens.

Major Services

- Adult Medical Services
- Pediatric Medical Services
- Dental Services
- OB/GYN Services
- Laboratory Testing
- Pharmaceutical Services
- Nutritional Services
- Social Services

Revenues

The revenue estimates for the Health Services Fund 395 are \$3,500,000 for 2003, representing a \$100,000 increase over 2002 estimated actual, and \$3,500,000 for 2004, representing no increase over the 2003 revenue estimate. In 2001 and 2002, revenue in this fund increased significantly due to the recent legislative initiatives designed to expand eligibility requirements for the Children's Health Insurance

Program (CHIP). Revenue is expected to stabilize because of the State of Ohio's policy to enroll new Medicaid patients with the Health Maintenance Organization (HMO). Changes in Medicare related to prescription drug coverage could potentially increase revenue in this fund. Legislation approving this addition does not seem likely to pass in the near future.

Expenditures

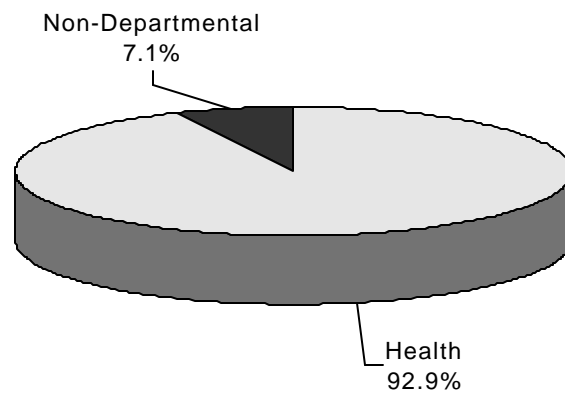
For 2003, the Health Services Fund 395 operating budget is \$4,643,410. After considering inflationary increases and adjusting for reductions to management compensation, the additional expenditures represent normal medical costs that will be paid by the fund balance, plus \$150,000 for the Health Department's share of the City's malpractice insurance, and the transfer of 19.5 FTE from the General Fund to the Health Services Fund in 2003. Revenue and expenses in this fund will be monitored closely in 2003 and 2004, and adjustments will be made to offset any shortfall.

The total 2004 operating budget for the Health Services Fund 395 of \$4,266,920 is an 8.1% decrease from the 2003 budget. The reduction is necessary to balance the budget.

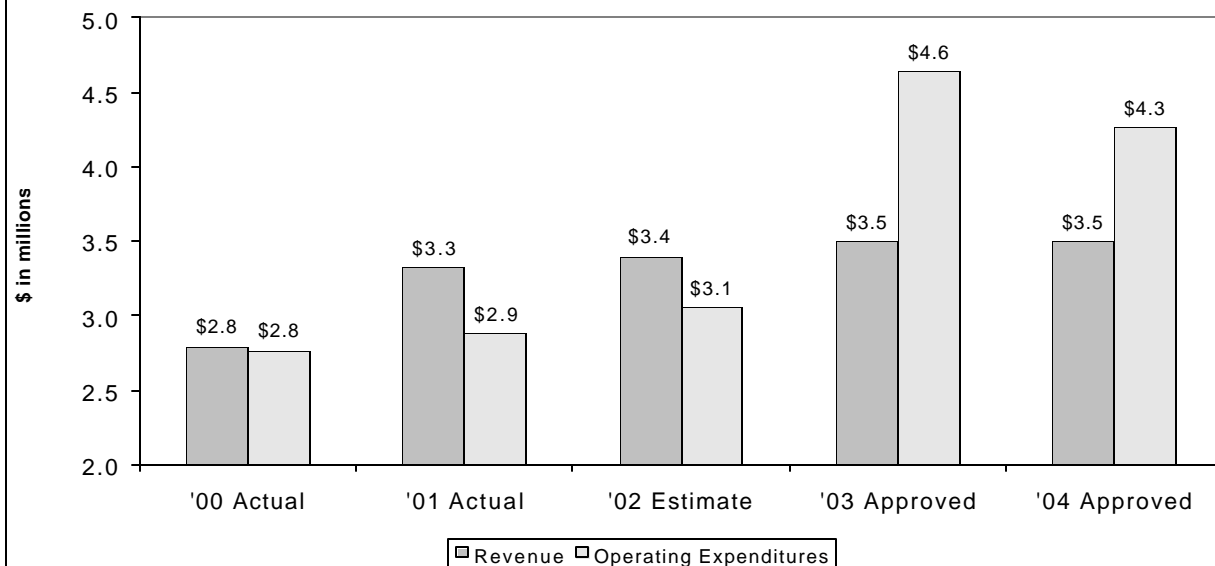


HEALTH SERVICES FUND 395 BUDGET AND TREND CHART

2003 Health Services Fund 395 Budget



Health Services Fund 395 Revenue/Expenditure Trend





CABLE COMMUNICATIONS FUND 424

(In \$000s)	2002	2002	2003	2004
	Budget	Estimated Actual	Budget	Budget
Cable Communications - Fund 424				
Revenue	\$2,575	\$2,450	\$2,400	\$2,400
Prior Year Carryover	<u>3,749</u>	<u>3,948</u>	<u>1,980</u>	<u>1,045</u>
Resources	\$6,324	\$6,398	\$4,380	\$3,445
Operating Expenditures	\$1,590	\$1,537	\$1,621	\$1,664
Transfers Out				
Transfers to Capital	\$2,881	\$2,881	\$1,714	\$1,280
Fund Balance	\$1,853	\$1,980	\$1,045	\$501

Description

The franchise fee applied to Time Warner Cable's gross revenues from Cincinnati subscribers supports the Cable Communications Fund 424. The Fund supports the Office of Cable Communications, which monitors Warner Cable service and produces programming for the City's government access channel. It also supports the Communication Technology Services section in the Regional Computer Center, which provides general City telecommunication services such as installation and repair of telephone systems and fiber optic cable, and radio and emergency communications.

Major Services

- Citywide telephone and voice mail systems
- Computer network support
- Citywide fiber optic network
- Police radio systems
- Emergency communications services
- City Cable government access channel and programs
- Monitoring of Time Warner Cable Contract

Revenues

The revenue estimate for the Cable Communications Fund 424 is \$2,400,000 for both 2003 and 2004, which is a 2.0% decrease from 2002 estimated actual and a 6.8% decrease from the 2002 budget. The projected reduction in revenue reflects the removal of cable modem service revenue from the base used to calculate the 5% franchise fee paid to the City by Time Warner Cable.

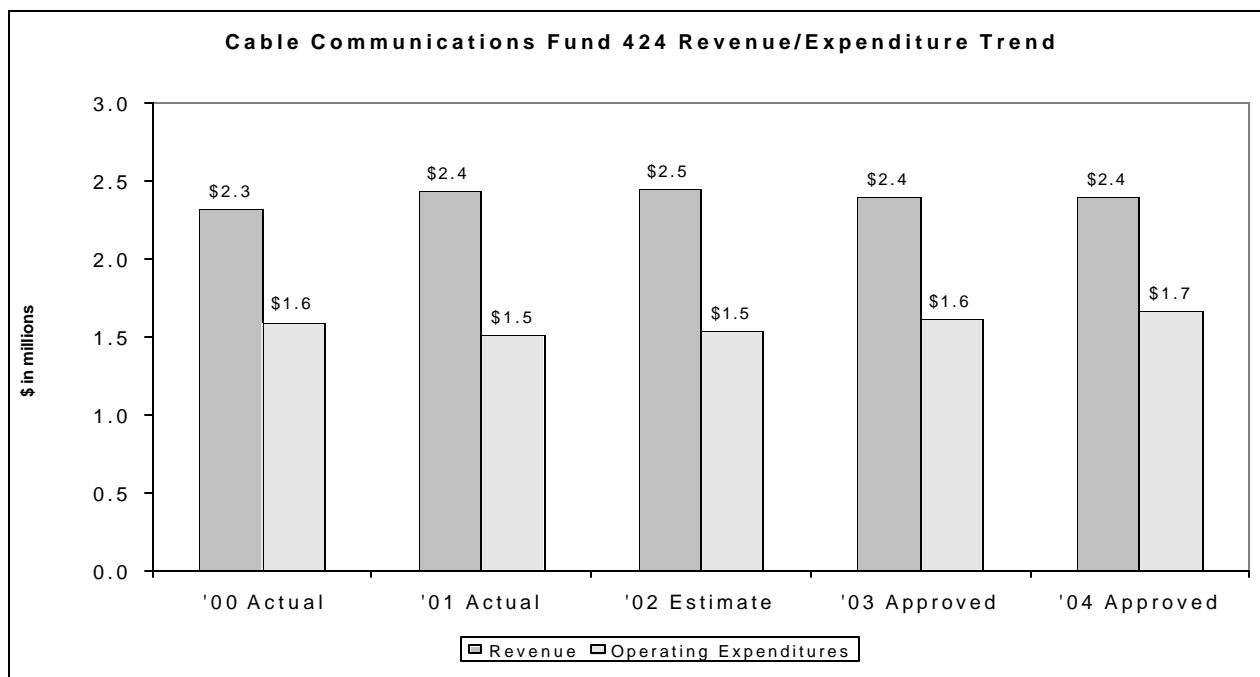
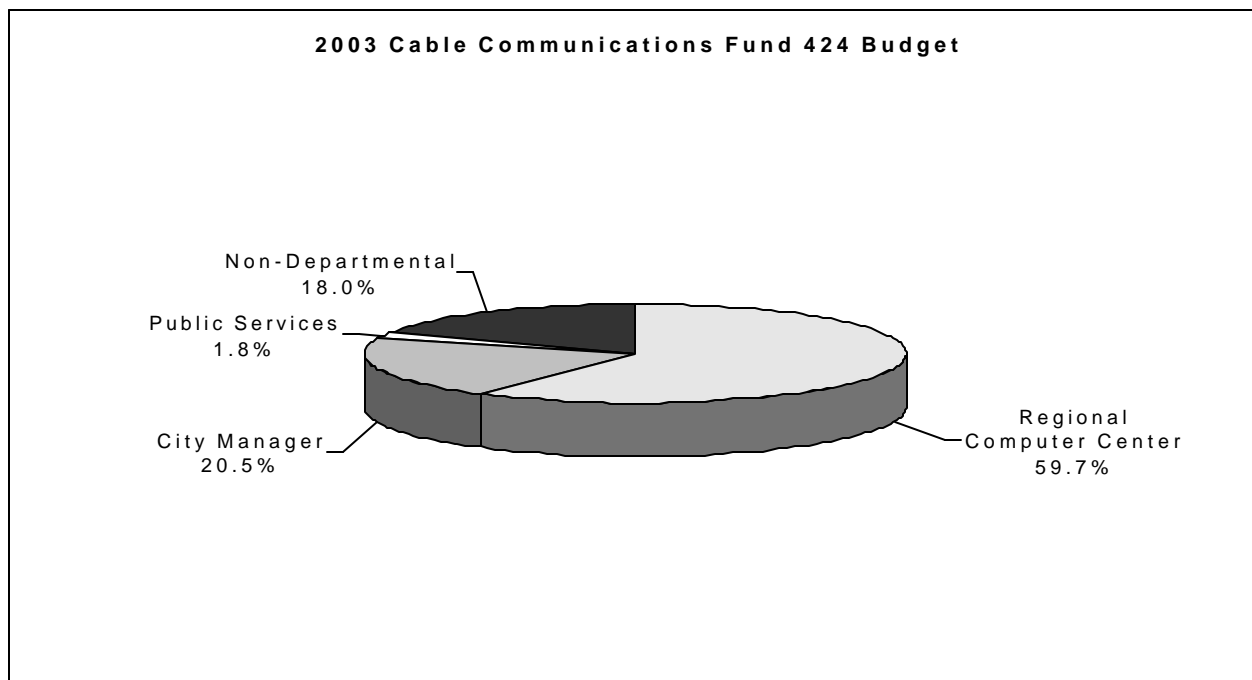
Expenditures

The total 2003 operating budget for the Cable Communications Fund 424 of \$1,620,720 is a 1.9% increase over the 2002 budget. The 2004 operating budget of \$1,663,790 is a 2.7% increase over the 2003 budget. After adjusting for reductions to management compensation, the increase in both 2003 and 2004 reflect inflationary increases.

The Cable Communications Fund 424 supports cash transfers for capital expenditures of \$1,714,000 in 2003 and \$1,280,000 in 2004. Funds will be used for enterprise-wide information technology infrastructure enhancements.



CABLE COMMUNICATIONS FUND 424 BUDGET AND TREND CHART





METROPOLITAN SEWER DISTRICT FUND 701

(In \$000s)	2002 Budget	2002 Estimated Actual	2003 Budget	2004 Budget
Metropolitan Sewer District - Fund 701				
Revenue	\$132,166	\$127,466	\$133,363	\$133,363
Prior Year Carryover	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Resources	\$132,166	\$127,466	\$133,363	\$133,363
Operating Expenditures	<u>\$131,075</u>	<u>\$124,941</u>	<u>\$129,460</u>	<u>\$134,934</u>
Fund Balance	\$1,091	\$2,525	\$3,903	(\$1,571)
Transfers to Capital Reserves	\$1,091	\$2,525	\$3,903	(\$1,571)
Fund Balance	\$0	\$0	\$0	\$0

Description

Metropolitan Sewer District Fund 701 supports the management and operation of the Metropolitan Sewer District (MSD). MSD is run by the City on behalf of Hamilton County. User fees charged to customers fund operating expenses and capital improvements.

Major Services

- Metropolitan Sewer District Administration
- Wastewater Treatment
- Wastewater Collection
- Industrial Waste Management
- Capital Improvement Planning and Implementation
- Engineering Services

Revenues

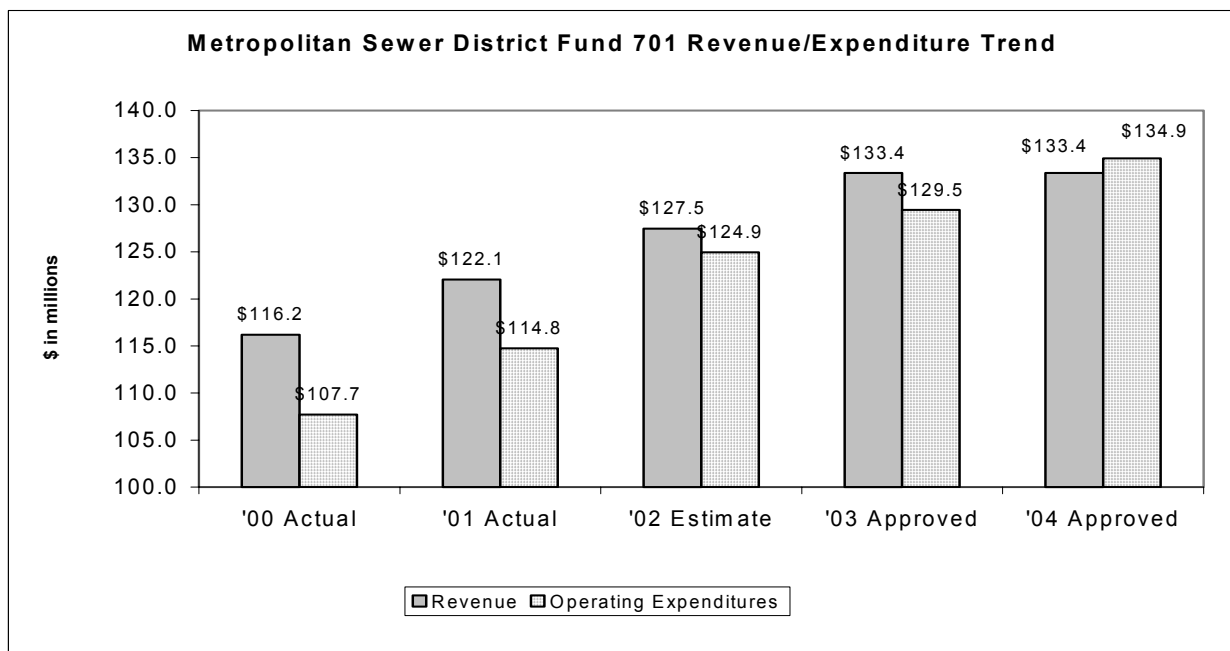
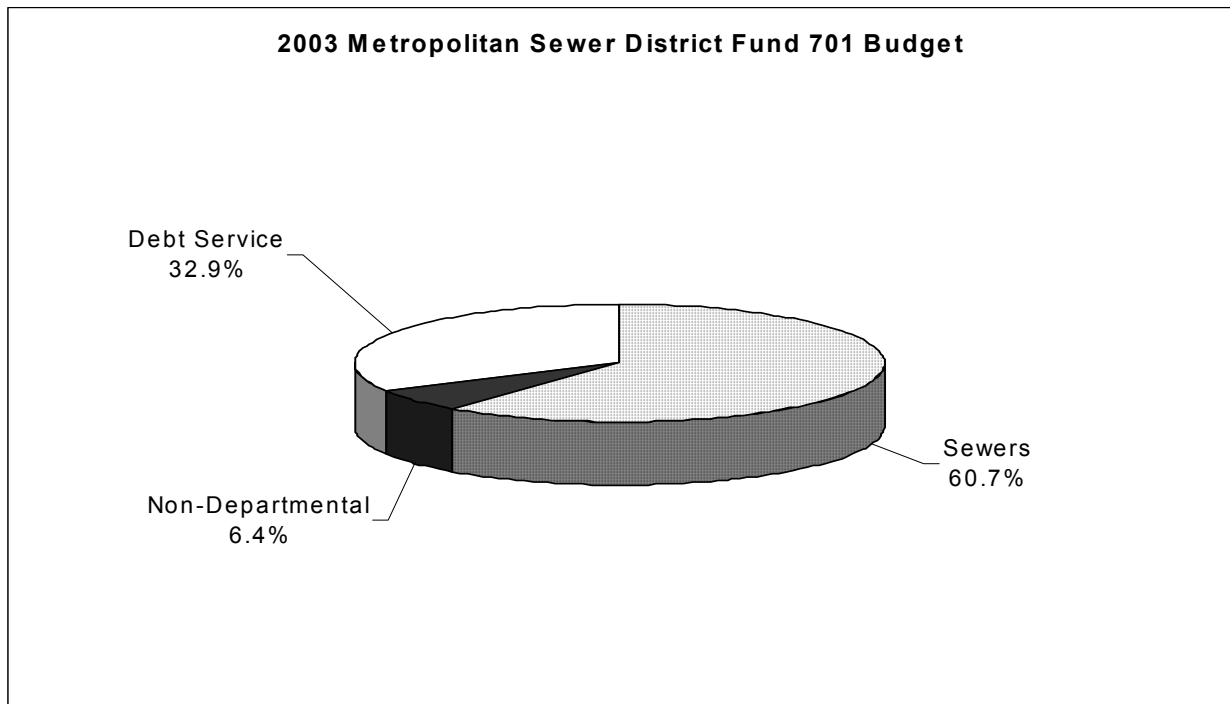
The revenue estimates for the Metropolitan Sewer District Fund 701 are \$133,363,000 for both 2003 and 2004, which is a 4.6% increase over 2002 estimated actual. MSD rate increases are the responsibility of the Hamilton County Board of Commissioners. A 7.0% rate increase was approved for 2003.

Expenditures

The total 2003 operating budget for the Metropolitan Sewer District Fund of \$129,459,680 is a 1.2% decrease from the 2002 budget. After considering inflationary increases, this decrease is primarily due to estimated actual operating expenditures being lower than the 2002 budget. The 2003 budget is 3.6% greater than the 2002 estimated actual budget. The 2004 operating budget of \$134,933,870, which is a 4.2% increase over 2003, changes primarily by inflationary increases, and the increased debt service budget.



METROPOLITAN SEWER DISTRICT FUND 701 BUDGET AND TREND CHART





INCOME TAX - TRANSIT FUND 759

(In \$000s)	2002 Budget	2002 Estimated Actual	2003 Budget	2004 Budget
Income Tax-Transit - Fund 759				
Revenue	\$37,487	\$35,700	\$36,427	\$37,878
Prior Year Carryover	<u>5,870</u>	<u>6,086</u>	<u>3616</u>	<u>3607</u>
Resources	\$43,357	\$41,786	\$40,043	\$41,485
Operating Expenditures	\$38,087	\$38,070	\$36,336	\$37,760
Transfers to Capital	<u>\$100</u>	<u>\$100</u>	<u>\$100</u>	<u>\$100</u>
Fund Balance	\$5,170	\$3,616	\$3,607	\$3,625

Description

The Income Tax Transit Fund 759 accumulates the proceeds of the 0.3% of the (2.1% total) Income Tax established for City transit needs. The City of Cincinnati has a contract with the Southwest Ohio Regional Transit Authority (SORTA) to operate the bus system. The City's Transit Fund, along with fare box receipts, Federal and State grants, and miscellaneous revenues, provide the resources for the SORTA budget. The Transit Fund also supports transportation-related functions within City departments.

The \$37,878,000 amount for 2004 is a 4.0% increase from 2003. These estimates are based on current rates and estimated income tax collections.

Expenditures

The total 2003 operating budget for the Income Tax Transit Fund of \$36,336,330 is a 4.6% decrease from the 2002 budget due to flat revenue projections. The biennial budget reflects \$200,000 in transfers for transportation related capital projects. The 2004 operating budget of \$37,759,790 is a 3.9% increase over 2003.

Major Services

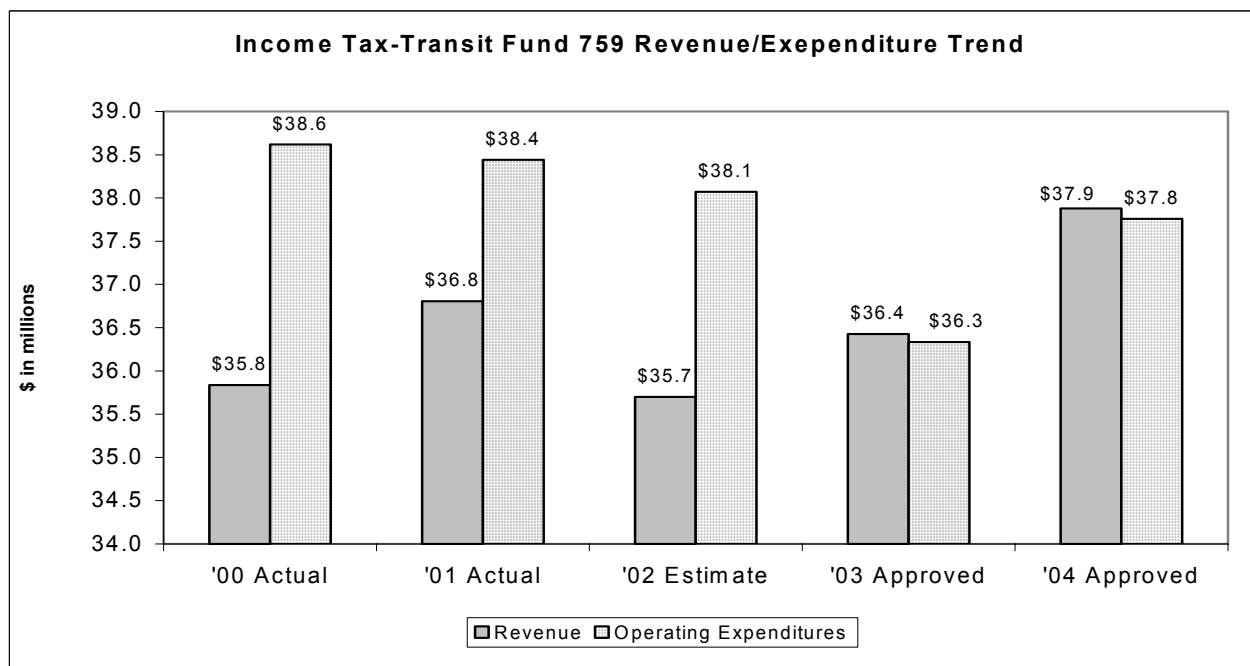
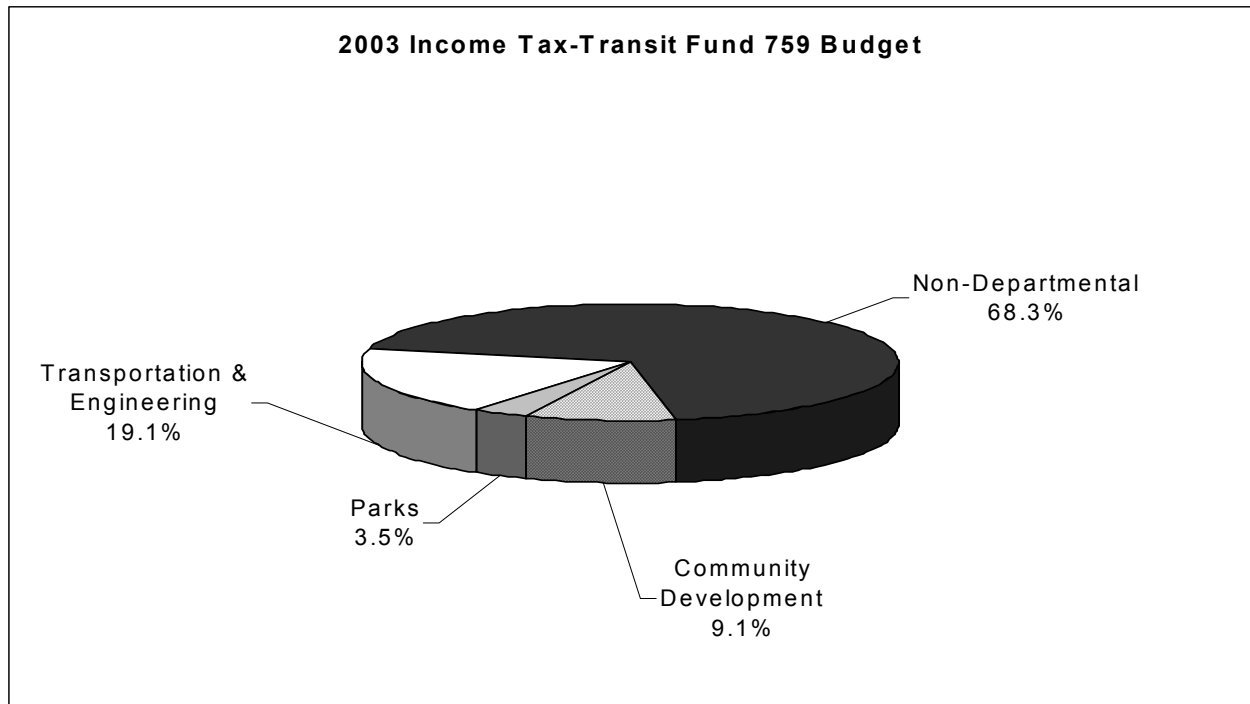
- Metro bus service
- Access service for the disabled
- Mass transportation administration and planning

Revenues

The revenue estimates for the Income Tax Transit Fund 759 are \$36,427,000 for 2003 which is a 2.0% increase over 2002 estimated actual.



INCOME TAX TRANSIT FUND 759 BUDGET AND TREND CHART





2003-2004 General Capital Funds

The 2003 General Capital Budget totals \$106.1 million, which is an increase of 35.3% over the 2002 General Capital Budget of \$78.4 million. The 2004 General Capital Budget totals \$89.5 million, which is a decrease of 15.6% from the 2003 General Capital Budget. The decrease in 2004 compared to 2003 is primarily related to a \$10.0 million reduction in Anthem Demutualization proceeds funded projects and reductions related to the Citywide Communication System and Riverfront Street Grid projects.

The General Capital Budget is based on a six-year Capital Investment Plan. A six-year Capital Investment Program (CIP) is a plan for capital investment in Cincinnati's future through improving City streets, bridges, recreation facilities, parks, health facilities, and City buildings, all of which enhance the delivery of services and the quality of life in Cincinnati. The 2003-2008 CIP coordinates the financing and timing of improvements to maximize the value to the public.

A description of the significant General Capital highlights for the 2003-2004 Biennial Budget is contained in Part I of this document. A detailed description of the General Capital revenues and expenditures by category follows in this Part of the document.

2003-2004 Restricted Capital Funds

The 2003 Restricted Fund Capital Budget totals \$146.2 million, which is a 19.1% decrease from the 2002 Restricted Fund Capital Budget of \$180.8 million. The 2004 Restricted Fund Capital Budget totals \$161.5 million, a 10.5% increase from the 2003 Restricted Fund Capital Budget. The decreases between the totals for 2002 and 2003 can be attributed to a reduction in matching funds for road and bridge rehabilitation projects, a reduction in matching funds for the Convention Center Expansion project, and a reduction in the Parking Facilities Fund budget related to non-recurring new parking facility projects. The increase between 2003 and 2004 are related to an increase in matching funds for road and bridge rehabilitation projects in 2004, and an increase to the Parking Facilities Fund budget for a potential new parking facility in 2004.

The 2003-2004 Restricted Fund Capital Budget includes Enterprise Capital Funds, Matching Capital Funds, and Special Revenue Funds. The Restricted Fund Capital Budget is also based on the six-year Capital Investment Plan.

A description of the significant Restricted Fund Capital highlights for the 2003-2004 Biennial Budget is contained in Part I of this document. A detailed description of the Enterprise Funds expenditures and the Matching and Special Revenue Funds resources follows in this part of the document.

2003-2004 Capital Budget Impact on the Operating Budget

The effect on the Operating Budget from capital projects that require new or additional operating budget support, projects that generate operating budget savings, projects eliminated due to operating budget reductions, and planned reimbursements from capital projects to the operating budget are also described in this part of the document.



GENERAL CAPITAL FUND 980

(In \$000s)	2002 Budget	2003 Budget	2004 Budget
General Capital – Fund 980			
Program Resources			
Income Tax	\$18,560	\$18,139	\$18,865
Tax-Supported Bonds	27,700	43,000	36,500
Property Proceeds	1,400	200	200
Southern Railway Note Proceeds	16,170	15,568	15,912
Tax Increment Supported Bonds	17,696	0	4,600
Reprogramming	2,873	2,067	500
General Fund Transfer	6,302	0	0
Anthem Proceeds	0	31,500	21,500
Less: Debt Service	<u>(12,341)</u>	<u>(4,418)</u>	<u>(8,570)</u>
Resources	\$78,360	\$106,057	\$89,507
Program Expense			
Debt Service Payments	\$3,898	\$2,028	\$2,048
Economic Development	21,983	7,381	11,150
Environment	330	205	328
Equipment	12,242	19,079	10,770
Housing & Neighborhood Development	5,358	28,058	18,493
Infrastructure (Smale Commission)	33,849	39,131	39,941
New Infrastructure	700	10,175	6,777
Expenditures	<u>\$78,360</u>	<u>\$106,057</u>	<u>\$89,507</u>
Resources Minus Expenses	\$0	\$0	\$0

Description

The General Capital Budget provides for the purchase or improvement of City assets, including construction or rehabilitation which provides an asset for the City's use, or increases the value of an existing asset or extends the asset's useful life. A capital improvement is expected to have a useful life of at least five years and a minimum cost of \$10,000.

- Economic Development Projects
- Housing & Neighborhood Development Projects
- New City Facilities

Revenues

General Capital improvements are primarily funded by property tax-supported bond proceeds, earmarked income tax receipts, and Southern Railway note proceeds. Property tax-supported bond proceeds amount to \$43,000,000 in 2003, which is an increase of 55.2% over the 2002 total of \$27,700,000, and \$36,500,000 in 2004, which is a decrease of 15.1% from 2003. Income tax receipts total \$18,139,000 in 2003, which is a 2.3% decrease from the 2002 total of

Major Services

- City Infrastructure Replacement/Rehabilitation
- Debt Service Payments
- Equipment Replacements/Improvements
- Environmental Remediation

Financial Summaries



\$18,559,910, and \$18,865,360 in 2004, which is a 4.0% increase over 2003. Southern Railway note proceeds total \$15,568,430 in 2003, which is a 3.7% decrease from the 2002 total of \$16,170,000, and \$15,911,640 in 2004, which is a 2.2% increase over 2003.

In addition to the major resource categories listed above, the General Capital Budget also includes \$31,500,000 in 2003 and \$21,500,000 in 2004 from Anthem demutualization proceeds. The Anthem proceeds were realized when Anthem transitioned from a mutual insurance company to a stock company. Reprogramming resources total \$2,067,400 in 2003 and \$500,000 in 2004. Tax increment supported bonds, are included in the 2004 Capital Budget resources for \$4,600,000. Property proceeds as a Capital Budget resource total \$200,000 in both 2003 and 2004.

Total General Capital Budget resources for 2003 amount to \$106,057,000 in 2003, a 35.3% increase over the 2002 budget of \$78,360,300. For 2004, General Capital Budget resources total \$89,507,000, a 15.6% decrease from the 2003 General Capital Budget amount.

Expenditures

General Capital Budget projects are divided into seven expenditure categories. These seven categories, Debt Service Payments, Economic Development, Environment, Equipment, Housing and Neighborhood Development, Infrastructure (Smale Commission), and New Infrastructure, are highlighted below.

Debt Service Payments include projects established to retire debt for the Fort Washington Way Reconstruction project, the Convention Center Expansion project, and street rehabilitation and street improvement projects. For 2003, a total of \$2,028,100 is included for Debt Service Payment projects, while the 2004 total is \$2,047,600. Economic Development projects include neighborhood business district projects and major downtown development projects. The 2003 General Capital Budget includes \$7,380,900 for Economic Development projects, a 66.4% decrease from the 2002 amount of \$21,982,700. For 2004, Economic

Development projects total \$11,150,000, a 51.1% increase over 2003.

A total of \$205,000 is included in the 2003 General Capital Budget for environmental projects, a 37.9% decrease from the 2002 budget amount of \$330,000. Environmental projects for 2004 total \$328,000 which is a 60.0% increase over 2003.

The 2003 General Capital Budget includes \$19,079,100 for equipment replacements and improvements such as the City fleet and information systems technology acquisitions and enhancements. The 2003 amount is a 55.8% increase over the 2002 budget amount of \$12,242,000. The 2004 equipment total of \$10,770,100 is a 43.6% decrease from 2003.

A total of \$28,058,000 for Housing and Neighborhood Development projects is included in the 2003 General Capital Budget, which is a 423.7% increase over the 2002 budget amount of \$5,358,000. The majority of the projects in this category support neighborhood-based housing development. The significant increase from the 2002 budget to the 2003 budget is primarily related to the new Neighborhood Housing Redevelopment Loan Fund and Neighborhood Investment Reserve projects. These projects provide funding for the development of neighborhood market rate housing and a variety of neighborhood economic development, housing, and infrastructure improvements. For 2004, Housing and Neighborhood Development projects total \$18,493,000, a 34.1% decrease from the 2003 amount.

Infrastructure, the City's largest General Capital Budget component, with projects that support the improvement and rehabilitation of City streets and various City facilities, totals \$39,130,900 in the 2003 General Capital Budget. The 2003 total is a 15.6% increase over the 2002 budget amount of \$33,848,900. The 2004 total is \$39,940,800, a 2.1% increase over 2003.

Financial Summaries



The New Infrastructure expenditure category was added during the development of the 1997/1998 Biennial General Capital Budget to distinguish between new capital improvements and the Infrastructure category, which includes only the renovation and replacement of existing City assets. For 2003, New Infrastructure projects total \$10,175,000, compared to \$700,000 in the 2002 General Capital Budget.

The increase from the 2002 budget to the 2003 budget is primarily related to the Riverfront Street Grid project. This project involves the construction of a new street grid to support potential housing and retail development on the City's riverfront. A total of \$6,777,500 for New Infrastructure projects is included for 2004.



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RESTRICTED CAPITAL FUNDS

Enterprise and Restricted Capital Funds

(In \$000s)	2002 Budget	2003 Budget	2004 Budget
Enterprise and Restricted Capital Funds			
Parking System	\$18,950	\$1,090	\$11,475
General Aviation	515	430	460
Stormwater Management	3,195	1,084	1,756
Telecommunications Services	1,140	45	30
Blue Ash Airport	0	50	0
Criminal Act Forfeiture	810	0	0
Cable Communications	2,881	1,713	1,280
Metropolitan Sewer District	67,688	64,519	66,182
Water Works	62,356	66,743	64,292
Income Tax-Transit	100	100	100
Sidewalk Assessment	0	450	800
Expenditures	\$157,635	\$136,224	\$146,375

Description

Resources for the restricted fund capital projects come primarily from fees and charges. After operating and maintenance costs, current debt service, and reserve requirements are covered, the remaining available funds are used for capital purposes. The table details the 2002, 2003, and 2004 budgets for the funds that comprise the Restricted Fund Capital Budget. The 2003 Restricted Fund Capital Budget totals \$136,224,800, a 13.6% decrease from the 2002 budget of \$157,635,700. The 2004 Restricted Fund Budget totals \$146,375,000, a 7.5% increase over 2003.

Parking System

Parking System restricted capital funds total \$1,090,000 in 2003, a 94.2% decrease from the 2002 budget of \$18,950,000. For 2004, the Parking System restricted capital budget totals \$11,475,000, a 952.8% increase over 2003. Parking System capital projects include parking facility structural maintenance, repair and renovation, and equipment replacement and upgrades. The fluctuations in the totals between 2002, 2003, and 2004 are related to the inclusion

of the construction of a new parking facility in 2002 and 2004.

General Aviation

For 2003, General Aviation restricted capital funds total \$430,000, a 16.5% decrease from the 2002 budget of \$515,000. The 2004 General Aviation restricted capital funds budget totals \$460,000 which is a 7.0% increase over 2003. General Aviation capital projects include local matching funds to support Federal Aviation Administration (FAA) funded projects, various facility renovations and replacement projects at the Lunken Airport, and a noise abatement project at Lunken Airport.

Stormwater Management

Stormwater Management restricted capital funds total \$1,084,000 in 2003, a 66.1% decrease from the 2002 budget of \$3,195,000. For 2004, the Stormwater Management restricted capital funds budget totals \$1,756,000 which is a 62.0% increase over the 2003 Stormwater Management capital budget.



Telecommunications Services

For 2003, the restricted funds capital budget for the Telecommunications Services Fund total \$45,000, which is a 96.1% decrease from the 2002 total of \$1,140,000. For 2004, the Telecommunications Services Fund capital budget totals \$30,000, which is a 33.3% decrease from 2003. Telecommunications Services Fund projects include the purchase and upgrade of equipment and information systems.

Blue Ash Airport

For 2003, the restricted funds capital budget includes \$50,000 from the Blue Ash Airport Fund for facility and airfield improvements at the City-owned Blue Ash Airport.

Cable Communications

A total of \$1,713,700 is included in the 2003 restricted funds capital budget for Cable Communications Fund projects. The 2003 amount is a 40.5% decrease from the 2002 total of \$2,881,000. For 2004, the Cable Communications Fund capital budget totals \$1,279,800, which is a 25.3% decrease from 2003. Cable Communications Fund projects include the replacement or upgrade of various information systems.

Metropolitan Sewer District

Metropolitan Sewer District (MSD) restricted capital funds total \$64,518,800 in 2003 which is a 4.7% decrease from the 2002 budget of \$67,688,100. For 2004, the MSD restricted fund capital budget totals \$66,181,700, a 2.6% increase over 2003. Metropolitan Sewer District

capital projects include wastewater plant improvements and the construction, replacement and/or rehabilitation of sewers.

Water Works

For 2003, Water Works restricted capital funds total \$66,743,300, a 7.0% increase over the 2002 budget of \$62,356,000. The 2004 Water Works restricted fund capital budget totals \$64,292,500, a 3.7% decrease from the 2003 budget. Water Works capital projects include new water mains, the replacement of existing water mains, and tank and reservoir improvements.

Income Tax - Transit

The restricted funds capital budget for the Income Tax – Transit Fund totals \$100,000 for both 2003 and 2004, which matches the 2002 amount. The Income Tax – Transit restricted funds capital budget includes projects related to the acquisition of real property, planning and environmental services related to the reuse of existing railroad corridors.

Sidewalk Assessment

A total of \$450,000 is included in the 2003 restricted funds capital budget from the Sidewalk Assessment Fund for sidewalk repairs to City-owned property. For 2004, a total of \$800,000 is included from the Sidewalk Assessment Fund, which is a 77.8% increase over 2003.



Matching and Special Revenue Capital Funds

(In \$000s)	2002 Budget	2003 Budget	2004 Budget
Matching and Special Revenue Capital Funds			
State – Federal – County Roads & Bridges	\$12,700	\$7,080	\$12,910
Federal Aviation Administration	1,282	1,413	717
Transportation Efficiency Act for the 21 st Century – TEA 21	248	0	0
State Loan – Convention Center	7,500	0	0
Special Housing Permanent Improvement Fund	1,469	1,518	1,518
Resources	\$23,199	\$10,011	\$15,145

Description

The City receives Federal grants, matching funds and also manages State and County funds to improve the City's roads and bridges. Federal funds include Federal Aviation Administration (FAA) funds for local projects. The Special Housing Permanent Improvement Fund (SHPIF), which receives revenue from net rental income and tax increment payments, provides

funds for the City's New Housing Program. This program supports the development of new market rate housing in the City.

The 2003 Total All Funds Capital Budget includes \$10,011,140 in matching and special revenue capital funds, compared to the 2002 total of \$23,199,276 and the 2004 budget total of \$15,145,140.



CAPITAL BUDGET IMPACT ON THE OPERATING BUDGET

The City of Cincinnati prepares a separate Capital Budget from the Operating Budget, but the two budgets are submitted to the City Council for approval at the same time. The City prepares a biennial Operating Budget which is reviewed and updated during the second year of the biennium. In conjunction with the biennial Operating Budget, the City prepares a six-year Capital Investment Program Budget that is updated in the second year of the biennium as well.

The Operating Budget provides for the day-to-day delivery of City services such as trash collection, police officer patrols, and the purchase of materials and supplies. The Capital Budget is for the improvement, construction, or purchase of City assets which cost \$10,000 or more and last at least five years such as City buildings, equipment and fleet replacements, and City infrastructure, such as streets and bridges repair and replacement.

The impact on the Operating Budget of new capital projects, operating budget savings from new capital projects, and savings from the elimination of capital projects due to operating budget reductions are outlined below. A table is also included that lists planned reimbursements to departmental operating budgets from 2003 capital budget projects.

New Operating Budget Requirements - Mt. Washington Recreation Center

The 2003-2004 Capital Budget includes \$5.5 million for the construction of a new recreation center in the Mt. Washington neighborhood. A total of \$750,000 is included in 2003 for site preparation work, with \$4,750,000 included in 2004 for the balance of the construction work. This new 28,000 square foot recreation center will include two gymnasiums, multi-purpose rooms, senior programming facilities, and after school and day camp facilities. The projected full-year General Fund operating costs for this new center, beginning with 2005, are listed below:

2005: \$263,680; **2006:** \$271,850; **2007:** \$280,280; **2008:** \$288,970

New Operating Budget Requirements - City Facilities Security Upgrades

The 2003-2004 Capital Budget includes \$500,000 in both 2003 and 2004 for the "City Facilities Security Upgrades" project. This project provides funding for the installation of access controls to City buildings and for the purchase of backup power sources and monitoring devices. The implementation of this project will require an increase of \$200,000 to the Division of City Facility Management's 2003 General Fund Contractual Services Operating Budget for additional security guards and monitors to maintain the new security upgrades.

Operating Budget Reductions – Capital Project Impact

With the elimination of the City's Air Quality Program in the 2003 operating budget, the "Title X Enhancements/Implementation" project is not included in the 2003-2004 Capital Budget and the 2003-2008 Capital Investment Program. This project provided funds for the acquisition of air monitoring equipment and for air quality investigations. The elimination of this program from the City's operating budget saves approximately \$120,000 over the six years of the 2003-2008 Capital Investment Program.

Financial Summaries



Operating Budget Reductions – Capital Budget Impact

The Department of Transportation and Engineering's 2003 Operating Budget includes the elimination of the Senior Engineer position responsible for the "Neighborhood Street Calming" project. With the elimination of this position, funding for the "Neighborhood Street Calming" project is not included in the 2003-2004 Biennial Capital Budget and the 2003-2008 Capital Investment Program. This project provided funds for the installation of various traffic management devices such as speed bumps and traffic islands to slow traffic and reduce cut through traffic in residential neighborhoods. The elimination of this program from the City's operating budget saves approximately \$900,000 over the six years of the 2003-2008 Capital Investment Program.

Operating Budget Savings – AMS-CFS Procurement Software Upgrade Project

An annual savings beginning in 2005 of approximately \$210,000 (\$170,000 in personnel costs and \$40,000 in non-personnel costs) is projected from the implementation of the "AMS-CFS Procurement Software Upgrade" project. A total of \$350,000, \$200,000 in 2004 and \$150,000 in 2005, is included in the 2003-2008 Capital Investment Program. Funding will be used to upgrade the City's current Extended Purchasing System (EPS) module of the Cincinnati Financial System (CFS). The Extended Purchasing System Module upgrade will provide Web-based electronic bid solicitation and a contract management component.

Capital Project Reimbursements

The table below outlines the planned reimbursements to departmental operating budgets from capital projects included in the 2003-2004 Capital Budget.

Department	2003	2004
Recreation	\$528,000	\$544,370
Parks	\$426,410	\$439,630
Transportation & Engineering	\$2,087,900	\$2,152,625
Public Services	\$511,190	\$527,040
Total:	\$3,553,500	\$3,663,665



CONSOLIDATED PLAN FUNDS

2003-2004 Consolidated Plan Funds

The 2003 Consolidated Plan Budget is \$28.0 million, which is a 4.9% increase over the 2002 Consolidated Plan Budget of \$26.7 million. The 2004 estimated Consolidated Plan Budget is \$26.4 million, which is a 5.7% decrease from the 2003 Budget.

The Consolidated Plan Budget is based on combined Federal funding from the Community Development Block Grant (CDBG), the HOME Investment Partnerships Program, the Emergency Shelter Grant (ESG), and the Housing Opportunities for Persons with AIDS Grant (HOPWA). Because of an unusually large reallocation of HOME prior-year funds, the 2003 budget is significantly larger than that projected for 2004.

Final Federal grant amounts were not known at the time that the City Council approved the budget. A decrease of \$1.0 million in CDBG resources has since been identified, and the City Council will make a supplemental appropriation after the completion of the annual sunset process. Funding identified through the sunset process will be reallocated to fund 2003 programs.

A description of the significant Consolidated Plan highlights for the 2003-2004 Biennial Budget is contained in Part I of this document. A detailed description of each Consolidated Plan fund follows in this part of the document.



COMMUNITY DEVELOPMENT BLOCK GRANT FUND 304

(In \$000s)	2002 Budget	2002 Estimated Actual	2003 Budget	2004 Budget
CDBG - Fund 304				
Revenue (Entitlement Grant)	\$17,343	\$17,298	\$17,298	\$17,298
Program Income & Carryover	<u>3,000</u>	<u>3,529</u>	<u>2,736</u>	<u>2,700</u>
Resources	\$20,343	\$20,827	\$20,034	\$19,998
General Administration & Debt Service	\$3,413	\$3,413	\$4,125	\$4,132
Projects	<u>16,930</u>	<u>17,414</u>	<u>15,909</u>	<u>15,866</u>
Expenditures	<u>\$20,343</u>	<u>\$20,827</u>	<u>\$20,034</u>	<u>\$19,998</u>
Resources Minus Expenditures	\$0	\$0	\$0	\$0

Description

The Community Development Block Grant (CDBG) Program is an entitlement grant from the U.S. Department of Housing and Urban Development to provide housing, economic, and community development activities which principally benefit low and moderate income persons. CDBG funds are a flexible funding source allowing for a wide range of activities within a framework of eligible activities.

Major Services

- Homeowner Rehabilitation & Repair
- Housing Development Infrastructure Improvements
- Rental Housing Rehabilitation
- Neighborhood Revitalization
- Youth Development Programs
- Facility Renovations for Human Service Agencies
- Small Business Loans
- Neighborhood Business District Improvements
- Small Business Services and Technical Assistance
- Workforce Development Programs

Revenues

The CDBG grant amounts are based on the funding appropriated by the U.S. Congress annually, which is distributed by formula to the entitlement communities. Other resources for the program are carryover funds from prior years resulting from operating savings or project reductions, and program income, primarily from the repayment of loans. The 2003-2004 CDBG Budget is based on an estimated grant amount of \$17,298,000 and an estimated \$2,736,000 in 2003 program income and carryover, and \$2,700,000 in 2004 program income and carryover.

Expenditures

The 2003 Community Development Block Grant Budget includes \$8,433,480 for Housing and Neighborhood Revitalization programs, \$962,500 for Human Services programs, \$4,434,200 for Economic Development and Small Business programs, and \$1,829,190 for Workforce Development programs. A total of \$4,125,000 is provided for general administration and debt service payments. The 2004 CDBG Budget includes \$8,986,630 for Housing and Neighborhood Revitalization programs, \$1,223,300 for Human Services programs, \$3,776,700 for Economic Development and Small Business programs, \$1,829,190 for Workforce Development Programs, and \$4,132,000 for general administration and debt service.



HOME INVESTMENT PARTNERSHIPS FUND 411

(In \$000s)	2002 Budget	2002 Estimated Actual	2003 Budget	2004 Budget
HOME – Fund 411				
Revenue (Entitlement Grant)	\$5,354	\$5,361	\$5,369	\$5,361
Program Income & Carryover	<u>0</u>	<u>0</u>	<u>1,492</u>	<u>0</u>
Resources	\$5,354	\$5,361	\$6,861	\$5,368
General Administration & Debt Service	\$0	\$0	\$408	\$400
Projects	<u>5,354</u>	<u>5,361</u>	<u>6,453</u>	<u>4,961</u>
Expenditures	\$5,354	\$5,361	\$6,861	\$5,361
Resources Minus Expenditures	\$0	\$0	\$0	\$0

Description

The HOME Investment Partnerships Program (HOME) is an entitlement grant from the U.S. Department of Housing and Urban Development for affordable housing programs. HOME funds can be used for acquisition, construction, and rehabilitation of rental or ownership housing for low-income families.

Major Services

- Moderate rehabilitation of rental housing
- Infrastructure improvements to support mixed income housing development
- Rehabilitation for existing homeowners
- New construction for new homeowners
- Infill Housing construction

Revenues

The HOME grant amounts are based on the funding appropriated by the U.S. Congress annually which is distributed by formula to the eligible participating jurisdictions. The 2003-2004 Budget was based on an estimated grant amount of \$5,361,000.

Expenditures

The 2003 HOME Budget allocates \$2,000,000 for the Rental Rehabilitation Program, \$1,533,000 for Mixed Income Housing Development and Infrastructure, \$450,000 for development of owner-occupied housing, and \$2,469,930 for Deferred Homeowner Rehab Loans and Lead Abatement Grants. The 2004 HOME Budget continues funding for the development of owner-occupied housing, but decreases funding for other programs by a total amount of \$1.5 million because of reduced resources.



EMERGENCY SHELTER GRANT FUND 445

(In \$000s)	2002 Budget	2002 Estimated Actual	2003 Budget	2004 Budget
ESG – Fund 445				
Revenue (Entitlement Grant)	\$589	\$590	\$590	\$590
Program Income & Carryover	<u>2</u>	<u>2</u>	<u>1</u>	<u>0</u>
Resources	\$591	\$592	\$591	\$590
General Administration & Debt Service	\$8	\$8	\$23	\$22
Projects	<u>583</u>	<u>583</u>	<u>568</u>	<u>568</u>
Expenditures	<u>\$591</u>	<u>\$591</u>	<u>\$591</u>	<u>\$590</u>
Resources Minus Expenditures	\$0	\$1	\$0	\$0

Description

The Emergency Shelter Grant (ESG) is an entitlement grant from the U.S. Department of Housing and Urban Development that provides funding for the capital and non-staff operating needs of emergency shelters and transitional housing for the homeless. Outreach and supportive services are also allowable uses of funds.

Major Services

- Operating support for emergency shelters
- Supportive services

Revenues

Grant amounts are based on the funding appropriated by the U.S. Congress annually which is distributed by formula to the eligible

city and state grantees. The grantee or its sub-recipients must match the Federal funds. The 2003-2004 Budget was based on an estimated annual grant amount of \$590,000.

Expenditures

In the 2003 Budget, Emergency Shelter Grant funds are provided to agencies serving the following categories of the homeless: women with children, families, veterans, youth, AIDS patients, and single men and women. The 2004 Budget continues funding to service providers while decreasing \$1,000 in reimbursements for City administration of the program.



HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS FUND 465

(In \$000s)	2002 Budget	2002 Estimated Actual	2003 Budget	2004 Budget
HOPWA – Fund 465				
Revenue (Entitlement Grant)	\$453	\$464	\$464	\$464
Program Income & Carryover	<u>6</u>	<u>8</u>	<u>17</u>	<u>0</u>
Resources	\$459	\$472	\$481	\$464
General Administration & Debt Service	\$13	\$13	\$14	\$14
Projects	<u>446</u>	<u>442</u>	<u>467</u>	<u>450</u>
Expenditures	\$459	\$455	\$481	\$464
Resources Minus Expenditures	\$0	\$17	\$0	\$0

Description

The Housing Opportunities for Persons with Aids (HOPWA) grant is an entitlement grant from the U.S. Department of Housing and Urban Development to be used for all forms of housing assistance to prevent homelessness of AIDS patients and their families.

Major Services

- Short-term housing assistance
- Supportive services
- Congregate housing
- Administrative support

Revenues

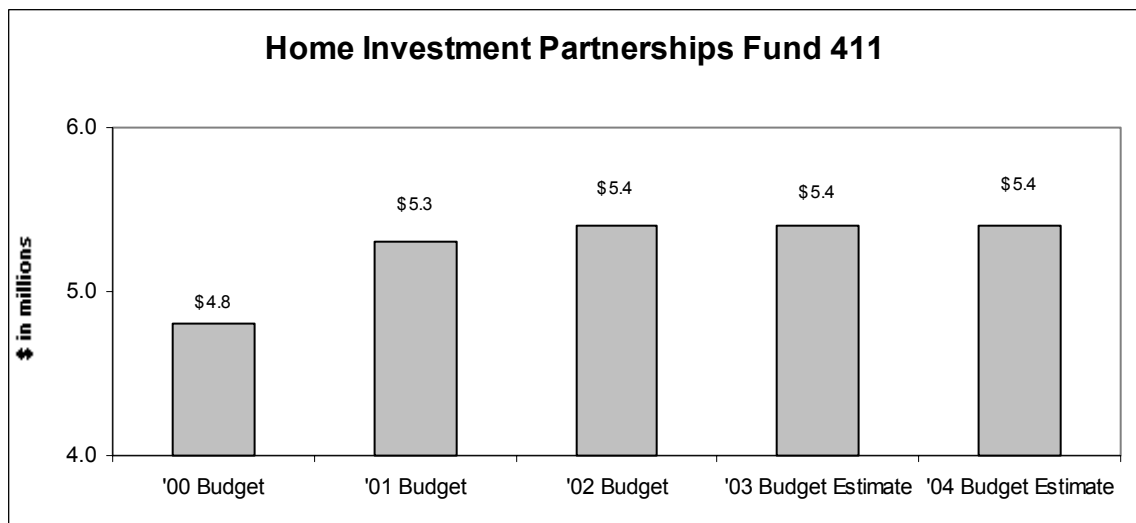
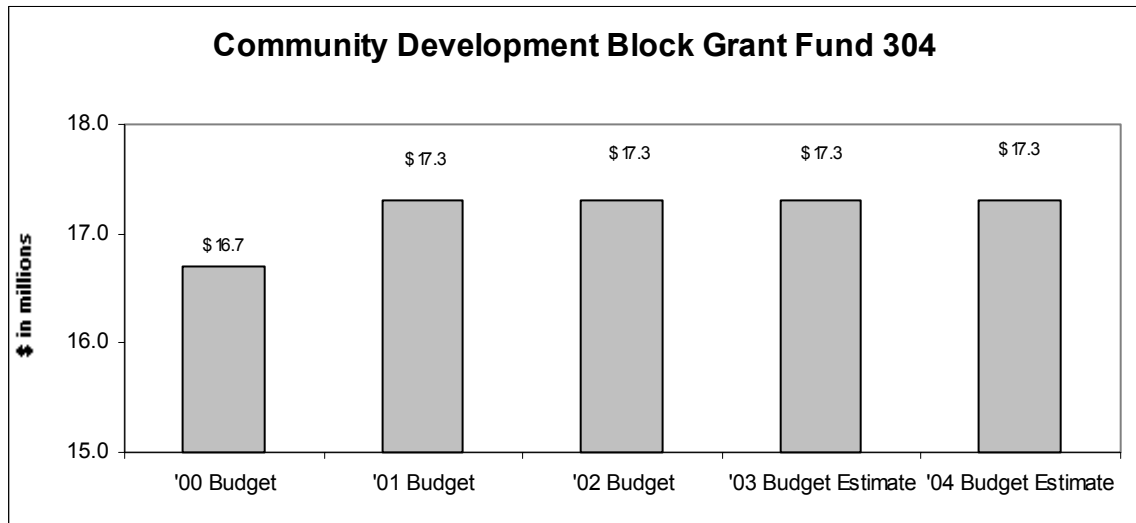
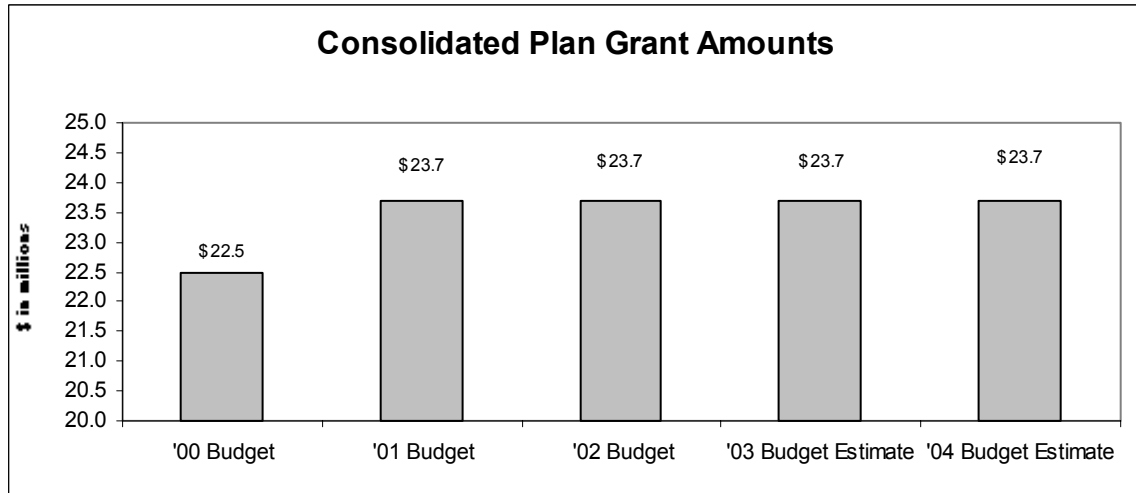
The grant and the amount of the HOPWA grant is based on the number of AIDS cases in an area encompassing twelve counties in Ohio, Kentucky, and Indiana. The 2003-2004 Budget was based on an estimated annual grant amount of \$464,000.

Expenditures

Of the 2003 Budget, approximately \$129,500 of the grant is for short-term housing assistance in the form of rent, mortgage or utility assistance. Another \$41,200 is for direct support of congregate housing, and \$268,570 is for outreach, housing information, case management, and other supportive services, and another \$27,820 is to support the Caracole SOPHIA electronic information system. City administrative costs account for the remaining \$13,910. Uses for the 2004 grant will be reviewed at the time of the 2004 budget update.

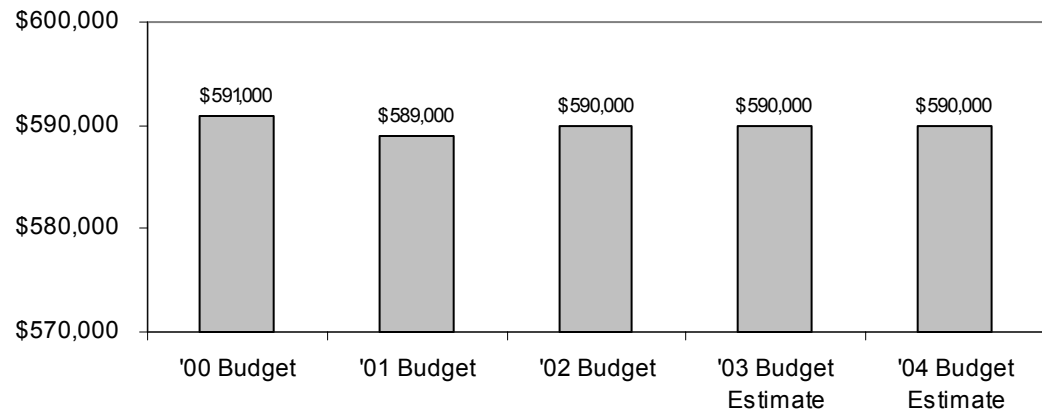


CONSOLIDATED PLAN BUDGET FUNDS

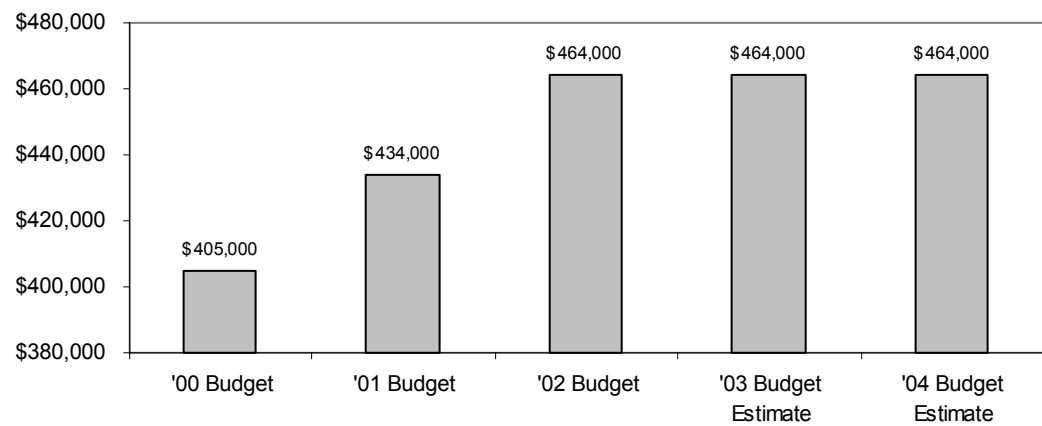




Emergency Shelter Grant Fund 445



Housing Opportunities For Persons With Aids Fund 465





Debt Obligations

General Obligation Bonded Debt – This section provides a summary of the total general bonds and notes matured, issued, and outstanding as of December 31, 2002.

General Obligation Bonded Debt By Purpose – This section shows the purpose of all general bonds and notes outstanding as of December 31, 2002.

General Obligation Bonded Debt By Payment Source – This section shows the payment source of the bonds and notes outstanding as of December 31, 2002.

Payout of General Obligation Debt – This section summarizes the maturity and interest costs, debt service requirements, debt outstanding at the end of the year, and the payout percentage.

Statutory Debt Limitation – This section discusses the State of Ohio debt limitation requirements from the Ohio Revised Code.

Revenue Bonds – This section provides a summary of the revenue bonds outstanding as of December 31, 2002.

New Issues General Obligation Bonds and Notes – This section provides project descriptions of bonds and notes issued in 2002.



GENERAL OBLIGATION BONDED DEBT

Matured during 2002:

Economic Development Notes	\$ 15,300,000
Municipal Income Tax Supported Bonds	3,280,000
Municipal Income Tax Supported Notes	6,403,000
Off-Street Parking Facility Bonds	350,000
Park Improvement Notes	3,192,000
Police and Fire Disability and Pension Refunding Bond.....	450,000
Public Building Improvement Notes	2,521,900
Recreation Improvement Notes	3,379,300
Recreational Facilities Bonds	1,590,000
Stormwater Management Bonds	925,000
Street Improvement Notes	16,341,800
Urban Development Bonds.....	220,000
Urban Redevelopment Bonds	1,375,000
Urban Renewal / Economic Development Bonds	3,425,000
Various Purpose Bonds	21,640,000
Water Works Bonds	<u>14,370,000</u>
Total General Bonds & Notes Matured	<u>\$94,763,000</u>

GENERAL BONDED DEBT SUMMARY

General Bonded Debt, January 1, 2002	\$378,085,000
Matured	\$94,763,000
Issued	<u>95,715,000</u>
Increase	<u>952,000</u>
General Bonded Debt, December 31, 2002	<u>\$379,037,000</u>



GENERAL OBLIGATION BONDED DEBT BY PURPOSE

Convention Facilities	\$ 15,100,000
Equipment – Miscellaneous	16,825,000
Park and Recreation	7,220,000
Parking Improvement	9,100,000
Parking – Off Street	1,400,000
Police and Fire Disability and Pension Refunding	40,170,000
Public Buildings	21,985,000
Recreational Facilities	12,265,000
Stormwater	4,225,000
Street	118,830,000
Urban Development	6,570,000
Urban Redevelopment	36,942,000
Urban Renewal / Economic Development	20,595,000
Water Works	<u>67,810,000</u>
General Bonded Debt, December 31, 2002.....	<u>\$379,037,000</u>



GENERAL OBLIGATION BONDED DEBT BY PAYMENT SOURCE

Cincinnati Southern Railway Rent	\$ 4,750,000
Developer Payments under Service Agreements	9,125,000
General Fund Appropriation	40,470,000
Municipal Income Tax - Capital (.15%)	28,197,000
Municipal Income Tax - Infrastructure (.1%)	900,000
Parking System Revenue	10,500,000
Property Taxes	180,200,000
Recreation Commission Golf Revenue	1,532,500
Stormwater Management Utility Fees	4,225,000
Urban Redevelopment Service Payments In-Lieu-Of Taxes (TIF)	20,595,000
Water Works Revenue	67,810,000
Zoological Society Revenue	<u>10,732,500</u>
General Bonded Debt, December 31,2002	<u>\$379,037,000</u>



PAYOUT OF GENERAL OBLIGATION DEBT As of December 31, 2002

<u>Year</u>	<u>Maturing</u>	<u>Interest Cost</u>	<u>Debt Service Requirement</u>	<u>Outstanding Debt End of Year</u>	<u>% Payout</u>
2002				\$379,037,000	
2003	\$60,970,000	\$18,652,831	\$79,622,831*	318,067,000	16.09%
2004	52,830,000	15,873,733	68,703,733	265,237,000	30.02%
2005	34,237,000	13,528,435	47,765,435	231,000,000	39.06%
2006	29,475,000	11,895,336	41,370,336	201,525,000	46.83%
2007	26,020,000	10,495,029	36,515,029	175,505,000	53.70%
2008	20,540,000	9,254,051	29,794,051	154,965,000	59.12%
2009	16,260,000	8,255,329	24,515,329	138,705,000	63.41%
2010	14,040,000	7,450,014	21,490,014	124,665,000	67.11%
2011	14,120,000	6,751,555	20,871,555	110,545,000	70.84%
2012	14,070,000	6,050,450	20,120,450	96,475,000	74.55%
2013	13,005,000	5,348,699	18,353,699	83,470,000	77.98%
2014	12,900,000	4,681,336	17,581,336	70,570,000	81.38%
2015	11,210,000	4,009,215	15,219,215	59,360,000	84.34%
2016	9,745,000	3,398,821	13,143,821	49,615,000	86.91%
2017	7,580,000	2,862,459	10,442,459	42,035,000	88.91%
2018	4,940,000	2,430,051	7,370,051	37,095,000	90.21%
2019	5,030,000	2,156,714	7,186,714	32,065,000	91.54%
2020	4,710,000	1,887,431	6,597,431	27,355,000	92.78%
2021	1,915,000	1,630,883	3,545,883	25,440,000	93.29%
2022	1,285,000	1,523,590	2,808,590	24,155,000	93.63%
2023	1,360,000	1,447,133	2,807,133	22,795,000	93.99%
2024	1,445,000	1,366,213	2,811,213	21,350,000	94.37%
2025	1,530,000	1,280,235	2,810,235	19,820,000	94.77%
2026	1,620,000	1,189,200	2,809,200	18,200,000	95.20%
2027	1,715,000	1,092,000	2,807,000	16,485,000	95.65%
2028	1,820,000	989,100	2,809,100	14,665,000	96.13%
2029	1,930,000	879,900	2,809,900	12,735,000	96.64%
2030	2,045,000	764,100	2,809,100	10,690,000	97.18%
2031	2,170,000	641,400	2,811,400	8,520,000	97.75%
2032	2,300,000	511,200	2,811,200	6,220,000	98.36%
2033	2,435,000	373,200	2,808,200	3,785,000	99.00%
2034	2,580,000	227,100	2,807,100	1,205,000	99.68%
2035	1,205,000	72,300	1,277,300	0	100.00%

*Supported by the Bond Retirement Fund 151 appropriation of \$65,917,000 from property taxes and \$13,705,831 in debt service appropriated within self-supporting funds such as Water Works Fund 101 and Stormwater Management Fund 107.



GENERAL OBLIGATION BONDED DEBT OF THE CITY OF CINCINNATI December 31, 2002

Municipal Income Tax Supported Bonds (C)	\$ 7,700,000		
Municipal Income Tax Supported Notes (C-T)	6,397,000		
Off-Street Parking Facility Bonds (C)	1,400,000		
Parking Improvement Note (C-T)	9,100,000		
Police & Fire Disability and Pension Refunding Bonds(C)..	40,170,000		
Recreational Facilities Bonds (C)	12,265,000		
Stormwater Management Bonds (C)	4,225,000		
Urban Development Bonds (C-T)	6,570,000		
Urban Redevelopment Bonds (C)	7,305,000		
Urban Renewal / Economic Development Bonds (C)	20,595,000		
Water Works Bonds (C)	<u>67,810,000</u>		
 Total Self-Supporting & Municipal Tax Supported Debt	 \$183,537,000		
 Other General Notes (C)	 \$ 15,100,000.00*		
Other General Bonds (C)	180,300,000.00*		
Other General Bonds (R)	<u>100,000.00*</u>	<u>195,500,000</u>	\$195,500,000
 Total General Debt	 <u>\$379,037,000</u>		
 Bond Retirement Fund for Bond Redemptions	 \$ 24,534,031		
Less Reserves for:			
Adam's Landing (G1155)	\$ 560,633		
Gen'l Fund Transfer for Bond Retirement....	7,694,000		
Greenwich Project (G1182)	48,264		
HUD Sec 108 Loan – Laural Homes	405,370		
.....	231,000		
Liability for Matured Bonds Payable.....	352,167		
Unpaid Past Due Bonds & Coupons	<u>1,488,531</u>	<u>10,779,967</u>	<u>13,754,064</u>
Zoological Society			
 Net Amount Not Self-Supporting	 <u>\$181,745,936</u>		

NOTE: In accordance with the supplemental agreement dated January 1, 1987 between the Cincinnati Southern Railway and The C.N.O. & T.P. Railway Company (Lessee), funds received were \$16,211,233. This amount is used to service City of Cincinnati bonds and notes.

The redemption and interest charges on the following serial bonds are paid as indicated:

<u>Title or Purpose of Bonds & Notes</u>	<u>Source of Funds</u>
1. Off-Street Parking Facilities Bonds	Revenues derived by Parking System
2. Recreational Facilities Bonds & Notes	Revenues derived by Recreation Commission and Zoological Society
3. Stormwater Management Bonds	Stormwater Management Utility Fees
4. Urban Renewal/Economic Development Bonds	Urban Redevelopment Service Payments
5. Various Councilmanic Bonds & Notes	Property & Cincinnati Income Taxes
6. Water Works Bonds	Earnings of the Water Works Department

(C) Councilmanic Bonds & Notes – Debt authorized by vote of City Council. (R) Referendum Bonds – Debt authorized by vote of citizens during an election. * Tax Supported Bonds and Notes (T) Taxable under Internal Revenue Code.



STATUTORY DEBT LIMITATION

Section 133.05 of the Ohio Revised Code provides principal amount of both voted and unvoted debt of the City may not exceed 10-1/2% of the City's assessed valuation and the principal amount of the City's unvoted debt may not exceed 5-1/2% of the City's assessed valuation. Certain debt is exempted from the 5-1/2% and 10-1/2% as listed in Section 133.05 of the Ohio Revised Code. Among the kinds of debt exempted is debt issued for water works, voted urban redevelopment bonds not exceeding two percent of total property valuation, debt covenanted by appropriations annually from lawfully available municipal income taxes, recreational facilities, off-street parking, urban redevelopment and debt for certain other purposes.

STATUTORY DEBT LIMITATION As Of December 31, 2002

Assessed Valuation			<u>\$5,328,729,320</u>
Overall Debt Limitation:			
10-1/2% of Assessed Valuation			559,516,579
Gross Outstanding Indebtedness:			
Voted General Obligation Bonds	\$	100,000	
Unvoted General Obligation Bonds and Notes		378,937,000	
Revenue Bonds		<u>108,407,000</u>	\$ 487,444,000
Less Debt Outside Limitation:			
Self Supported Debt (see below)	\$	291,944,000	
Voted Debt – Urban Redevelopment Bonds		<u>100,000</u>	<u>292,044,000</u>
Debt Within 10-1/2% Limitation			<u>195,400,000</u>
Legal Debt Margin Within 10-1/2% Limitation			<u>\$ 364,116,579</u>
Unvoted Debt Limitation:			
5-1/2% of Assessed Valuation			\$ 293,080,113
Gross Unvoted Outstanding Indebtedness			\$ 487,344,000
Less Debt Outside Limitation:			
Self Supported Debt:			
Municipal Income Tax Supported Bonds & Notes	\$	14,097,000	
Off-Street Parking Facility Bonds		1,400,000	
Parking Improvement Note		9,100,000	
Police & Fire Disability & Pension Bonds		40,170,000	
Recreational Facilities Bonds		12,265,000	
Stormwater Management Bonds		4,225,000	
Urban Development Bonds		6,570,000	
Urban Redevelopment Bonds		7,305,000	
Urban Renewal/Economic Development Bonds		20,595,000	
Water Works Bonds		67,810,000	
Economic Development Revenue Bonds		17,845,000	
Urban Renewal Revenue Bonds		677,000	
Water System Revenue Bonds		<u>89,885,000</u>	<u>291,944,000</u>
Debt Within 5-1/2% Limitation			<u>195,400,000</u>
Legal Debt Margin Within 5-1/2% Limitation			<u>\$ 97,680,113</u>



REVENUE BONDS*

ECONOMIC DEVELOPMENT REVENUE BONDS, SERIES 1996 (CINCINNATI DEVELOPMENT GROUP LLC – FOUNTAIN SQUARE WEST PROJECT)

Bonds dated May 1, 1996 bearing various percent interest payable semi-annually on May 1 and November 1, 1996 through 2016. Bonds mature semi-annually May 1 and November 1, 1999 through May 1, 2016. Bonds maturing after May 1, 2006 subject to redemption prior to maturity.

Bonds Outstanding January 1, 2002	\$ 9,480,000
Principal Paid, 2002	<u>360,000</u>
Bonds Outstanding December 31, 2002	<u>\$ 9,120,000</u>

ECONOMIC DEVELOPMENT REVENUE BONDS, SERIES 1998 (CONVENTION PLACE MALL PROJECT - RSJJ INVESTMENTS LIMITED)

Bonds dated June 1, 1998 bearing 6.60% interest on bonds stated to mature November 1, 2003 and 6.70% interest on bonds stated to mature May 1, 2010 payable semi-annually on May 1 and November 1, 1998 through May 1, 2010. Bonds stated to mature November 1, 2003 subject to mandatory redemption by lot each May 1 and November 1 from November 1, 2000 through May 1, 2003. Bonds stated to mature May 1, 2010 subject to mandatory redemption by lot each May 1 and November 1 from May 1, 2004 through November 1, 2009.

Bonds Outstanding January 1, 2002	\$ 1,600,000
Principal Paid, 2002	<u>145,000</u>
Bonds Outstanding December 31, 2002	<u>\$ 1,455,000</u>

ECONOMIC DEVELOPMENT REVENUE BONDS, SERIES 2002 (SAKS FIFTH AVENUE INC. & RACE STREET DEVELOPMENT LTD.)

Bonds dated September 1, 2002 bearing various percent interest payable semi-annually on May 1 and November 1, 2002 through 2010. Bonds mature November 1, 2003 through 2010.

Bonds Outstanding December 31, 2002	<u>\$ 7,270,000</u>
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URBAN RENEWAL REVENUE BONDS, SERIES 1990A (ONE GATEWAY PROJECT)

Bonds dated July 10, 1990 @ \$1,000.00 each bearing 8.25% interest payable semi-annually on February 15 and August 15, 1991 through 2010. Bonds mature August 15, 1992 through 2010. Callable option August 15, 2000.

Bonds Outstanding January 1, 2002	\$ 739,000
Principal Paid, 2002	<u>62,000.00</u>
Bonds Outstanding December 31, 2002	<u>\$ 677,000</u>

WATER SYSTEM REVENUE BONDS, SERIES 2001

Bonds dated March 1, 2001 bearing various percent interest payable semi-annually on June 1 and December 1, 2001 through 2021. Bonds mature December 1, 2002 through 2021. Bonds maturing after December 1, 2010 are subject to redemption by and at the option of the Issuer, in whole or in part on any date on or after June 1, 2011.

Bonds Outstanding January 1, 2002	\$92,685,000
Principal Paid, 2002	<u>2,800,000</u>
Bonds Outstanding December 31, 2002	<u>\$89,885,000</u>

- These bonds are not full faith and credit bonds of the City of Cincinnati.



NEW ISSUES GENERAL OBLIGATION BONDS AND NOTES

Total General Obligation Bonds and Notes Issued in 2002 \$ 95,715,000

02-01-G1228 (Street Improvement Bonds) \$ 16,975,000

Bonds issued pursuant to Ordinance of Council 84-2002 passed March 20, 2002, to provide funds to pay the cost and expense of widening, opening, extending, realigning, grading, paving, repaving, resurfacing, constructing sewers and drains or otherwise rehabilitating and improving streets, roads, thoroughfares, avenues, expressways, sidewalks, plazas and other public ways; purchasing and/or installing street lights and equipment and boulevard or whiteway lights; and paying legal, advertising, printing, and all expenses incidental to said improvements, under authority of Chapter 133 of the Ohio Revised Code, and Chapter 303 of the Cincinnati Municipal Code. Bonds are dated May 1, 2002 and are payable serially \$1,135,000. each December 1, 2003 through 2016 and \$1,085,000. December 1, 2017, bearing interest as follows: @3.250% - 2003 and 2004; @3.500% - 2005 and 2006; @3.750% - 2007; @4.000% - 2008 through 2011; @4.125% - 2012; @4.250% - 2013; @4.375% - 2014; @5.000% - 2015 through 2017. Bonds due on or after December 1, 2012 are callable on or after December 1, 2011, at the option of the City, either in whole or in part on any date, at the price of 100% of par, plus accrued interest until the date of redemption.

02-01-G1229 (Public Buildings Improvement Bonds) \$ 4,600,000

Bonds issued pursuant to Ordinance of Council 83-2002 passed March 20, 2002, to provide funds to pay the cost and expense of acquiring real estate or interest in same, constructing, rehabilitation and equipping public buildings and other structures; and paying legal, advertising, printing and all expenses incidental to said improvements, under authority of Chapter 133 of the Ohio Revised Code, and Chapter 303 of the Cincinnati Municipal Code. Bonds are dated May 1, 2002 and are payable serially \$310,000.00 each December 1, 2003 through 2016 and \$260,000.00 December 1, 2017, bearing interest as follows: @3.250% - 2003 and 2004; @3.500% - 2005 and 2006; @3.750% - 2007; @4.000% - 2008 through 2011; @4.125% - 2012; @4.250% - 2013; @4.375% - 2014; @5.000% - 2015 through 2017. Bonds due on or after December 1, 2012 are callable on or after December 1, 2011, at the option of the City, either in whole or in part on any date, at the price of 100% of par, plus accrued interest until the date of redemption.

Financial Summaries



02-01-G1230 (Equipment Improvement Bonds, Communication System)..... \$ 6,125,000

Bonds issued pursuant to Ordinance of Council 82-2002 passed March 20, 2002, to provide funds to pay the cost and expense of acquiring and improving city-wide communication system components and related improvements in connection therewith; and paying legal, advertising, printing and all expenses incidental to said improvements, under authority of Chapter 133 of the Ohio Revised Code, and Chapter 303 of the Cincinnati Municipal Code. Bonds are dated May 1, 2002 and are payable serially \$410,000. each December 1, 2003 through 2016 and \$385,000. December 1, 2017, bearing interest as follows: @3.250% - 2003 and 2004; @3.500% - 2005 and 2006; @3.750% - 2007; @4.000% - 2008 through 2011; @4.125% - 2012; @4.250% - 2013; @4.375% - 2014; @5.000% - 2015 through 2017. Bonds due on or after December 1, 2012 are callable on or after December 1, 2011, at the option of the City, either in whole or in part on any date, at the price of 100% of par, plus accrued interest until the date of redemption.

02-01-G1231 (Urban Renewal Improvement Bonds, Fourth & Race) \$ 4,500,000

Bonds issued pursuant to Ordinance of Council 81-2002 passed March 20, 2002, to provide funds to pay the cost and expense of acquiring and improving real estate and interest in real estate, including the clearance and preparation thereof for redevelopment and the construction, purchase and installation of public structures, equipment and related improvements in connection therewith, under authority of Article XVIII Section 3 of the Constitution of the State of Ohio; and paying legal, advertising, printing and all expenses incidental to said improvements, under authority of Chapter 133 of the Ohio Revised Code, and Chapter 303 of the Cincinnati Municipal Code. Bonds are dated May 1, 2002 and are payable serially \$450,000. each December 1, 2003 through 2012, bearing interest as follows: @3.250% - 2003 and 2004; @3.500% - 2005 and 2006; @3.750% - 2007; @4.000% - 2008 through 2011; @4.125% - 2012.

02-01-G1232 (Urban Renewal Improvement Bonds, Sixth & Race) \$ 3,080,000

Bonds issued pursuant to Ordinance of Council 80-2002 passed March 20, 2002, to provide funds to pay the cost and expense of acquiring property and the expense of demolition, site preparation and construction of a building in the urban renewal area, under authority of Chapter 725 of the Ohio Revised Code; and paying legal, advertising, printing and all expenses incidental to said improvements, under authority of Chapter 133 of the Ohio Revised Code, and Chapter 303 of the Cincinnati Municipal Code. Bonds are dated May 1, 2002 and are payable serially \$310,000. each December 1, 2003 through 2011 and \$290,000. December 1, 2012, bearing interest as follows: @3.250% - 2003 and 2004; @3.500% - 2005 and 2006; @3.750% - 2007; @4.000% - 2008 through 2011; @4.125% - 2012.

02-01-G1233 (Economic Development Bonds, Fourth & Race) \$ 4,000,000

Bonds issued pursuant to Ordinance of Council 90-2001 passed March 28, 2001, for the purpose of financing certain improvements; authorizing a pledge of the City's

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faith and credit or a pledge of and lien on certain revenues and other city resources, as appropriate, to secure such bonds. Bonds are dated May 1, 2002 and are payable serially \$400,000. each December 1, 2003 through 2012, bearing interest as follows: @3.250% - 2003 and 2004; @3.500% - 2005 and 2006; @3.750% - 2007; @4.000% - 2008 through 2011; @4.125% - 2012.

02-01-GN141 (Economic Development Bond Anticipation Notes, Saks Project)\$ 6,600,000

Note issued pursuant to Ordinance of Council 33-2002 passed February 6, 2002, in anticipation of the issuance of bonds for the purpose of financing certain improvements; authorizing a pledge of the City's faith and credit or a pledge of and lien on certain revenues and other city resources as appropriate, to secure such notes, and authorizing necessary documents to secure such notes: and paying legal, advertising, printing, and all expenses incidental to said improvements, under authority of Chapter 133 of the Ohio Revised Code, and the Cincinnati Municipal Code. Note is callable anytime prior to maturity and is dated February 12, 2002 to mature February 11, 2003, bearing 4.000% interest.

02-01-GN142 (Street Improvement Bond Anticipation Notes) \$ 9,760,000

Notes issued pursuant to Ordinance of Council 84-2002 passed March 20, 2002, in anticipation of the issuance of bonds to provide funds to pay the cost and expense of widening, opening, extending, realigning, grading, paving, repaving, resurfacing, constructing sewers and drains or otherwise rehabilitating and improving streets, roads, thoroughfares, avenues, expressways, sidewalks, plazas and other public ways; purchasing and/or installing street lights and equipment and boulevard or whiteway lights; and paying legal, advertising, printing, and all expenses incidental to said improvements, under authority of Chapter 133 of the Ohio Revised Code, and Chapter 303 of the Cincinnati Municipal Code. Note is callable anytime prior to maturity and is dated March 22, 2002 to mature March 21, 2003, bearing 3.250% interest.

02-01-GN143 (Street Improvement Bond Anticipation Notes) \$ 921,800*

Note issued pursuant to Ordinance of Council 65-2002 passed March 6, 2002, in anticipation of the issuance of bonds to provide funds to pay the cost and expense of widening, opening, extending, realigning, grading, paving, repaving, resurfacing, constructing sewers and drains or otherwise rehabilitating and improving streets, roads, thoroughfares, avenues, expressways, sidewalks, plazas, and other public ways; purchasing, and/or installing street lights and appurtenances, traffic lights, and traffic control equipment and boulevard or whiteway lights; and paying legal, advertising, printing, and all expenses incidental to said improvements, under authority of Chapter 133 of the Ohio Revised Code, and the Cincinnati Municipal Code. Note is callable anytime prior to maturity and is dated March 28, 2002 to mature April 4, 2002, bearing 3.250% interest.

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02-02-GN143 (Street Improvement Bond Anticipation Notes) \$ 4,145,000*

Note issued pursuant to Ordinance of Council 65-2002 passed March 6, 2002, in anticipation of the issuance of bonds to provide funds to pay the cost and expense of widening, opening, extending, realigning, grading, paving, repaving, resurfacing, constructing sewers and drains or otherwise rehabilitating and improving streets, roads, thoroughfares, avenues, expressways, sidewalks, plazas, and other public ways; purchasing, and/or installing street lights and appurtenances, traffic lights, and traffic control equipment and boulevard or whiteway lights; and paying legal, advertising, printing, and all expenses incidental to said improvements, under authority of Chapter 133 of the Ohio Revised Code, and the Cincinnati Municipal Code. Note is callable anytime prior to maturity and is dated June 27, 2002 to mature July 8, 2002, bearing 3.250% interest.

02-03-GN143 (Street Improvement Bond Anticipation Notes) \$ 1,515,000*

Note issued pursuant to Ordinance of Council 65-2002 passed March 6, 2002, in anticipation of the issuance of bonds to provide funds to pay the cost and expense of widening, opening, extending, realigning, grading, paving, repaving, resurfacing, constructing sewers and drains or otherwise rehabilitating and improving streets, roads, thoroughfares, avenues, expressways, sidewalks, plazas, and other public ways; purchasing, and/or installing street lights and appurtenances, traffic lights, and traffic control equipment and boulevard or whiteway lights; and paying legal, advertising, printing, and all expenses incidental to said improvements, under authority of Chapter 133 of the Ohio Revised Code, and the Cincinnati Municipal Code. Note is callable anytime prior to maturity and is dated September 27, 2002 to mature October 4, 2002, bearing 3.250% interest.

02-01-GN144 (Recreation Improvement Bond Anticipation Notes) \$ 3,279,300*

Note issued pursuant to Ordinance of Council 64-2002 passed March 6, 2002, in anticipation of the issuance of bonds to provide funds to pay the cost and expense of acquiring real estate, or easements, or interest in same, for recreation facilities and other areas, improving and equipping and rehabilitating existing recreation facilities and other areas including but not limited to swimming pools, tennis courts and playfields; and paying legal, advertising, printing, and all expenses incidental to said improvements, under authority of Chapter 133 of the Ohio Revised Code, and the Cincinnati Municipal Code. Note is callable anytime prior to maturity and is dated March 28, 2002 to mature April 4, 2002, bearing 3.250% interest.

02-02-GN144 (Recreation Improvement Bond Anticipation Notes) \$ 100,000*

Note issued pursuant to Ordinance of Council 64-2002 passed March 6, 2002, in anticipation of the issuance of bonds to provide funds to pay the cost and expense of acquiring real estate, or easements, or interest in same, for recreation facilities and other areas, improving and equipping and rehabilitating existing recreation facilities and other areas including but not limited to swimming pools, tennis courts and playfields; and paying legal, advertising, printing, and all expenses incidental to

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said improvements, under authority of Chapter 133 of the Ohio Revised Code, and the Cincinnati Municipal Code. Note is callable anytime prior to maturity and is dated June 27, 2002 to mature July 8, 2002, bearing 3.250% interest.

02-01-GN145 (Park Improvement Bond Anticipation Notes) \$ 3,192,000*

Note issued pursuant to Ordinance of Council 62-2002 passed March 6, 2002, in anticipation of the issuance of bonds to provide funds to pay the cost and expense of acquiring real estate, or easements, or interest in same, for park facilities, parkways, and playgrounds; improving, equipping and rehabilitating existing park facilities, parkways and playgrounds, including but not limited to structures, lighting and parking; and paying legal, advertising, printing and all expenses incidental to said improvements, under authority of Chapter 133 of the Ohio Revised Code, and the Cincinnati Municipal Code. Note is callable anytime prior to maturity and is dated March 28, 2002 to mature April 4, 2002, bearing 3.250% interest.

02-01-GN146 (Parking Improvement Bond Anticipation Notes) \$ 9,100,000

Note issued pursuant to Ordinance of Council 79-2002 passed March 20, 2002, in anticipation of the issuance of bonds to provide funds to pay the cost of acquiring property and the expense of demolition, site preparation and construction of parking facilities in an urban renewal area, under authority of Chapter 725 of the Ohio Revised Code; and paying legal, advertising, printing and all expenses incidental to said improvements, under authority of Chapter 133 of the Ohio Revised Code, and the Cincinnati Municipal Code. Note is callable anytime prior to maturity and is dated April 30, 2002 to mature April 30, 2004, bearing 3.500% interest.

02-01-GN147 (Economic Development Improvement Bond Anticipation Notes, Taft Museum Project) \$ 200,000

Note issued pursuant to Ordinance of Council 205-2002 passed June 19, 2002, in anticipation of the issuance of bonds to provide funds for the purpose of financing certain improvements; authorizing a pledge of the City's faith and credit or a pledge of and lien on certain revenues and other city resources, as appropriate, to secure such notes; and authorizing necessary documents to secure such notes; and paying legal, advertising, printing and all expenses incidental to said improvements, under authority of Chapter 133 of the Ohio Revised Code, and the Cincinnati Municipal Code. Note is callable anytime prior to maturity and is dated June 26, 2002 to mature July 3, 2002, bearing 3.250% interest.

02-01-GN148 (Public Building Improvement Bond Anticipation Notes) \$ 2,521,900*

Note issued pursuant to Ordinance of Council 63-2001 passed March 6, 2002, in anticipation of the issuance of bonds to provide funds to pay the cost and expense of acquiring real estate, or easements, or interest in same; constructing, rehabilitating and equipping public buildings and other structures; and paying legal,

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advertising, printing, and all expenses incidental to said improvements, under authority of Chapter 133 of the Ohio Revised Code, and the Cincinnati Municipal Code. Note is callable anytime prior to maturity and is dated September 27, 2002 to mature October 4, 2002, bearing 3.250% interest.

02-01-GN149 (Convention Facilities Improvement Bond Anticipation Notes) ... \$ 15,100,000

Note issued pursuant to Ordinance of Council 314-2002 passed September 30, 2002 as amended by Ordinance of Council 336-2002 passed October 16, 2002, in anticipation of the issuance of bonds by the Convention Facilities Authority for Hamilton County, Ohio, to provide funds for the expansion and renovation of the Cincinnati Convention Center, including the acquisition and relocation of the WCPO-TV property and design and reconstruction services; and paying legal, advertising, printing, and all expenses incidental to said improvements, under authority of Chapter 133 of the Ohio Revised Code, and the Cincinnati Municipal Code. Note is callable anytime prior to maturity and is dated November 12, 2002 to mature November 12, 2003, bearing 2.500% interest.

* Debt serviced from rents received under Cincinnati Southern Railway lease.